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ORIGINAL

ACTIVITIES REPORT

OF THE

COMMITTEE ON VETERANS' AFFAIRS HOUSE OF REPRESENTATIVES

NINETY-SEVENTH CONGRESS

FIRST SESSION

Convened January 5, 1981

Adjourned December 16, 1981

SECOND SESSION

Convened January 25, 1982

Adjourned December 21, 1982

DECEMBER 30, 1982.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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LETTER OF SUBMITTAL

U.S. House of Representatives,
Committee on Veterans' Affairs,
Washington, D.C., December 30, 1982.

Hon. Edmund L. Henshaw, Jr.,
Clerk, House of Representatives,
Washington, D.C.

Dear Mr. Henshaw. In accordance with section 118 of the Legislative Reorganization Act of 1970, as amended (Rule XI of the Rules of the House of Representatives), I submit herewith the report of the Committee on Veterans' Affairs setting forth its activities in reviewing and studying the application, administration and execution of those laws, the subject matter of which is within the jurisdiction of our Committee.

Sincerely,

G. V. (Sonny) Montgomery,
Chairman.

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FOREWORD

My sincere thanks is extended to all Committee Members for their excellent cooperation in all of our efforts during this 97th Congress.

I extend a special word of thanks to all of the Subcommittee Chairmen—Hon. Ronald M. Mottl, Chairman, Subcommittee on Hospitals and Health Care; Hon. Douglas Applegate, Chairman, Subcommittee on Compensation, Pension and Insurance; Hon. Marvin Leath, Chairman, Subcommittee on Housing and Memorial Affairs; and Hon. Bob Edgar, Chairman, Subcommittee on Education, Training and Employment.

My deep appreciation goes to Congressman John Paul Hammerschmidt, the Ranking Minority Member of the Committee, and the ranking minority members of the Subcommittees who served so well in helping to develop and bring to a successful conclusion veterans bills which have been enacted into law.

Finally, I want to especially extend my thanks to the fine staff of this Committee, and express my appreciation for a job well done.

Sincerely,

G. V. (SONNY) MONTGOMERY,
Chairman.

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Union Calendar No. 617

97TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
2d Session } { No. 97-998

ACTIVITIES OF THE COMMITTEE ON VETERANS' AFFAIRS FOR THE 97TH CONGRESS

DECEMBER 30, 1982.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. MONTGOMERY, from the Committee on Veterans' Affairs, submitted the following

REPORT

PROVISION OF THE RULES OF THE HOUSE OF REPRESENTATIVES APPLICABLE TO COMMITTEE ACTIVITIES—JURISDICTION OF THE HOUSE COMMITTEE ON VETERANS' AFFAIRS

RULE X

ESTABLISHMENT AND JURISDICTION OF STANDING COMMITTEES

THE COMMITTEES AND THEIR JURISDICTION

1. There shall be in the House the following standing committees, each of which shall have the jurisdiction and related functions assigned to it by this clause and clauses 2, 3 and 4; and all bills, resolutions, and other matters relating to subjects within the jurisdiction of any standing committee as listed in this clause shall (in accordance with and subject to clause 5) be referred to such committees, as follows:

(u) Committee on Veterans' Affairs.

(1) Veterans' measures generally.

(2) Cemeteries of the United States in which veterans of any war or conflict are or may be buried, whether in the United States or abroad, except cemeteries administered by the Secretary of the Interior.

(3) Compensation, vocational rehabilitation, and education of veterans.

(4) Life insurance issued by the Government on account of service in the Armed Forces.

(5) Pensions of all the wars of the United States, general and special.

(6) Readjustment of servicemen to civil life.

(7) Soldiers' and sailors' civil relief.

(8) Veterans' hospitals, medical care, and treatment of veterans.

This committee was established January 2, 1947, as a part of the Legislative Reorganization Act of 1946 (60 Stat. 812), and was vested with jurisdiction formerly exercised by the Committee on World War Veterans' Legislation (VII, 2077); Invalid Pensions (IV, 4258); and Pensions (IV, 4260). Jurisdiction over veterans' cemeteries administered by the Department of Defense was transferred from the Committee on Interior and Insular Affairs on October 20, 1967, by H. Res. 241, 90th Cong. Vocational rehabilitation except that pertaining to veterans is under the jurisdiction of the Committee on Education and Labor. The Committee has jurisdiction over bills to amend the Soldiers and Sailors Civil Relief Act of 1940 to permit certain declarations of fact in lieu of affidavits (Feb. 4, 1959, p. 1812), and over bills to amend the Servicemen's and Veterans' Survivor Benefits Act re service-connected deaths of retired members of the uniformed services (May 18, 1959, p. 8273).

Provision of Rules of Procedure of Committee

PROVIDING FOR THE NUMBER AND JURISDICTION OF SUBCOMMITTEES FOR THE 97TH CONGRESS

(a) There shall be five standing subcommittees as follows: Oversight and Investigations: Hospitals and Health Care; Education, Training and Employment; Compensation, Pension and Insurance; and Housing and Memorial Affairs. All proposed legislation and other matters related to the subcommittees listed under standing subcommittees named below shall be referred to such subcommittees, respectively;

Oversight and Investigations: Investigative authority over matters that are referred to the subcommittee by the chairman of the full committee for investigation and appropriate recommendations.

Hospitals and Health Care: Veterans' hospitals, medical care, and treatment of veterans.

Education, Training and Employment: Education of veterans, vocational rehabilitation, and readjustment of servicemen to civilian life.

Compensation, Pension, and Insurance: Compensation, pensions of all the wars of the United States, general and special, and life insurance issued by the Government on account of service in the Armed Forces.

Housing and Memorial Affairs: Veterans' housing programs, and cemeteries of the United States in which veterans of any war or conflict are or may be buried, whether in the United States or abroad, except cemeteries administered by the Secretary of the Interior, and burial benefits.

(b) The chairman and the ranking minority member shall serve as ex-officio members of all subcommittees and shall have the right to vote on all matters before the subcommittee.

BEST DOCUMENT AVAILABLE

SUMMARY OF VETERANS' AFFAIRS COMMITTEE ACTION

BILLS AND RESOLUTIONS REFERRED AND HEARINGS EXECUTIVE SESSIONS CONDUCTED

	Congress																	
	80th	81st	82d	83d	84th	85th	86th	87th	88th	89th	90th	91st	92d	93d	94th	95th	96th	97th
Bills and resolutions referred	498	619	436	402	537	491	628	592	508	791	685	740	693	839	719	709	339	273
Hearings sessions	60	64	50	46	71	69	55	45	50	71	46	43	37	44	58	72	84	89
Hearings' printed pages	3,596	2,355	2,562	5,337	4,271	4,834	3,472	3,055	3,927	4,659	3,854	4,353	2,480	2,837	2,832			
Executive sessions	49	34	27	55	37	28	21	15	21	32	13	27	21	16	30	26	19	18
Bills reported	60	44	36	36	48	44	42	52	41	47	[8]19	34	26	[9]14	23	32	11	16
Bills in House	16	1		14	1	5	2	[1]8	[5]5	[6]4	4	1	4	1	0	1	1	1
Pending in Senate committees	6	16	14	2	17	11	6	[2]13	7	[7]12	3	9	7	2	[10]9	17	3	6
Bills on Senate Calendar or in Senate		1	1	2			1	[3]2	0	1	0	0	0	0	0	1	1	1
Recommitted		1	1			1											1	0
Bills vetoed	1	2	4			1							2	1			1	0
Bills passed over veto		1	2											1			1	0
Laws enacted	36	24	22	25	30	26	33	[4]32	29	30	15	24	15	15	15	13	6	8

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[1] Including 4 bills enacted as amendment to other legislation; 1 left in House when similar Senate bill returned to Senate; and 1 similar to another bill enacted (Public Law 87–645).

[2] Includes 2 bills enacted as amendments to other bills.

[3] Includes 1 bill enacted as amendment to another bill.

[4] Some laws include the substance of more than 1 bill reported separately, 39 separately reported bills were enacted, 7 as amendments to other legislation.

[5] Provisions of 3 of these bills were passed by the House as a separate bill, and the provisions of 1 bill were included as an amendment to another bill which became public law.

[6] [7] One bill in a Senate committee had purpose accomplished administratively; 5 others were enacted as sections of another bill; and portions of 1 bill left in the House were enacted as part of another bill.

[8] Includes S.J. Res. 197 making technical correction to law, which was brought to House floor for immediate consideration and passed by unanimous consent.

[9] The difference in number of bills reported (14) and laws enacted (15) is due to fact that S. 3705 did not go to the House Committee. However, the subject matter was included in H.R. 12628.

[10] Includes H.R. 9576 subject matter of which was contained in S. 969, passed in lieu.

SCOPE OF ACTIVITIES UNDER JURISDICTION OF THE COMMITTEE WHICH ARE ADMINISTERED BY THE VETERANS' ADMINISTRATION

The Veterans Administration, established on July 21, 1930, to provide federal benefits to veterans and dependents, is the federal government's largest independent agency.

In its 52 years of service the VA has grown dramatically. The present veteran population, 28.5 million, is six times the 4.7 million veterans living in America in the VA's founding year.

Some 18 million persons have received some form of training under the G.I. Bill since its inception in 1944. More than 850,000 disabled veterans have received VA vocational rehabilitation counseling and training since this program began in 1943.

The VA hospital network has grown from 54 hospitals in 1930 to 172 today. With more than 80,000 beds, these hospitals annually treat 1.3 million patients. The VA's outpatient clinics register 18 million visits a year. The VA's nursing homes and domiciliaries care for 80,000 veterans a year.

SCOPE OF OPERATIONS

The most comprehensive and diverse benefits in the agency's history are provided to veterans and dependents today.

The VA operates the nation's largest hospital and medical care system. It is one of the country's leading educators, and a major economic force in the nation's housing and insurance industries.

Compensation and pension benefits are provided to more than 4.7 million veterans, dependents and survivors. The VA provides burial grounds for 42,000 veterans a year, and financially assists additional thousands who have chosen to be interred outside VA cemeteries.

War veterans living today account for 65 percent of all Americans who ever served in war during our 206-year history. Eighty-five of every 100 of America's 28.5 million veterans are war veterans, having served during defined periods of armed hostilities.

Altogether, 89.5 million persons—veterans, dependents and survivors of deceased veterans—are potentially eligible for VA benefits and services. This is a number roughly equal to the combined populations of our six largest states: California, New York, Texas, Pennsylvania, Illinois and Ohio.

Care for veterans and dependents spans centuries. The last dependent of a Revolutionary War Veteran died in 1911. The last dependent of a War of 1812 veteran died 36 years ago. The last dependent of a Mexican War veteran died in 1963. Widows and children of Civil War and Indian War veterans still draw VA benefits. As of April 1, 1982, there were 75 veterans of the Spanish American War, and more than 10,000 children and widows of that war receive pensions.

Through Sept. 30, 1982, the VA and its predecessor agencies will have spent $380 billion for benefits and services to veterans, their dependents and survivors.

The Fiscal 1983 VA budget calls for expenditures of $24.1 billion. This is the fifth largest budget among federal agencies, ranking behind only the Departments of Defense, Health and Human Services, Labor and Treasury. Some 62.6 percent of VA outlays go for direct benefits such as compensation, pension and education checks; 32 percent of the budget is for hospital and medical care; 2.5 percent for hospital, national cemetery and other construction programs, and 2.9 percent for general operating expenses.

While in 1930, the VA was responsible for one-fourth of the federal budget, in Fiscal 1983 it represents only 3 percent of the federal budget.

The VA has 215,855 employees. Among all departments and agencies of the federal government, only the Department of Defense has a larger work force. One out of every 10 employees of the federal government's full-time permanent work force is employed by the VA.

The VA is a leader in hiring veterans. Some 68 percent of all male employees are veterans. Of this total, 53 percent served during the Vietnam era and 17 percent are disabled.

The proportion of full-time minority employees in the VA continues to increase. Some 32 percent of all VA employees are of one minority or another, as of October 1, 1981. Blacks make up 25.9 percent of the work force.

About 52 percent of the VA's employees are women. At pay grade GS-12 and above, women fill 20.7 percent of the VA positions, far surpassing the average through the rest of the federal government.

COMPENSATION AND PENSION PAYMENTS

There are more than 3.1 million veterans receiving disability compensation or pension payments from the VA. More than 1.3 million widows and other survivors of veterans are being paid death compensation or death pension benefits.

Among the 1,892,000 widows, children and parents receiving VA compensation and pension payments, more than 178,000 are survivors of Vietnam era veterans.

VA disability and death compensation and pension expenditures are $4.4 billion annually, an amount greater than the budgets of three of the 13 cabinet level departments.

EDUCATION AND TRAINING

From 1944, when the first G.I. Bill became law, to September 1982, a total of 18.1 million beneficiaries have received G.I. Bill education and training in the past 38 years. This includes some 7.8 million World War II veterans, 2.4 million Korean conflict veterans, and 7.9 million Post-Korean and Vietnam era veterans and active duty service personnel.

Through December 1982, the cost of these benefits has totaled $55 billion, or $19 billion more than the United States spent to fight World War I.

As an investment, however, this expenditure has been profitable to the federal budget and the nation. Additional income taxes from veterans, whose lifetime earnings were increased as a result of G.I. Bill training, amount to several times more than the initial investment in education.

Of this total, 8.2 million veterans have used their G.I. Bill education entitlement to attend colleges and 9.9 million received technical, farm and other training.

Some 2.2 million enrolled in college after World War II, and 1.2 million Korean conflict veterans trained at the college level under their G.I. Bill. Some 4.8 million Post-Korean and Vietnam era veterans have gone to college on the G.I. Bill so far. In addition, hundreds of thousands of servicemen have taken college courses under the G.I. Bill while still on active duty.

Proportionally, Vietnam era veterans have been the greatest participants in G.I. Bill training. Some 65 percent of those eligible have taken training, compared with 50.5 percent for World War II veterans and 43.4 percent for Korean veterans.

Also assisted by the VA in their education have been more than 400,000 sons, daughters, widows or wives of permanently and totally disabled service-connected veterans or those whose deaths were service-connected.

HOSPITAL AND MEDICAL CARE

Perhaps the most visible of all VA benefits and services is the VA's hospital and medical care program. This service is increasingly important to older veterans, and particularly the more than 3 million veterans who are 65 years of age or older.

The VA health care system is comprised of 172 hospitals, 226 outpatient clinics, 96 nursing homes and 16 domiciliaries.

There is at least one VA hospital in each of the 48 Continental States, Puerto Rico and the District of Columbia.

Some 132 hospitals and 40 outpatient clinics are affiliated with 100 medical schools. Ninety-two hospitals and three outpatient clinics are affiliated with 59 dental schools.

VA medical centers provide a wide range of professional services, including nursing, pharmacy, psychology, rehabilitative medicine and social work.

The heart of the VA hospital and medical care program is its staff: 6,712 full-time physicians, 4,149 part-time physicians, 9,043 residents, 912 full and part-time dentists, 31,806 registered nurses, 11,235 practical nurses, 21,568 nursing assistants and 109,000 other dedicated health care specialists and medical service personnel.

Indispensable to providing America's veterans with quality medical care are the 75,000 members of the Veterans Administration Voluntary Service. These volunteers are civic-minded Americans who donate more than 10.3 million hours of service each year to bring companionship and additional care to hospitalized veterans.

The $7.7 billion budgeted for Fiscal 1983 medical programs was a record high in the history of the VA. It provided a $542 million increase over Fiscal 1982.

In Fiscal 1983, VA is expected to provide treatment for more than 1.3 million inpatients and handle 18 million outpatient medical visits.

Medical research has had an increasingly important role in the VA. A VA physician recently implanted the first plastic heart in a patient. VA research helped to conquer tuberculosis; to develop the heart pacemaker; to perfect kidney transplants, and to develop the laser can for the blind. VA researchers have expanded research on sickle-cell anemia and advanced mental health care through the use of psychotropic drugs. VA scientists are researching the effects of Agent Orange on veterans who served in Southeast Asia.

VA trained a record 100,000 physicians, dentists, nurses and other health service personnel in fiscal 1982. This total includes 25,036 medical house staff and 20,106 medical students, 748 dental house staff and 1,439 dental students, and 26,853 nursing students.

One-half of all physicians in the U.S. have had some portion of their training in the VA. One third of the nation's resident physicians in specialty training are found in the VA system.

HOME LOANS

The VA's 38-year-old home loan guaranty program has benefited millions of veterans and dependents.

From 1944, when this program was established as part of the original G.I. Bill, through September 1982, the VA guaranteed 11.2 million home loans valued at more than $201 billion. In addition, the VA has made 333,000 direct loans valued at $3.4 billion.

In 1981, VA guaranteed 187,628 loans valued at $10 billion. Among these guaranties were 9,389 mobile home loans amounting to $187 million.

INSURANCE

The VA operates one of the largest life insurance programs in the world. This year the VA will administer and supervise approximately $122 billion in life insurance policies for 8.1 million veterans and military service personnel.

The 1982 G.I. life insurance dividend is expected to total a record $664.6 million. This is $45 million more than the previous year.

NATIONAL CEMETERIES

Since 1973, the VA has established eight new national cemeteries. Five of these are open for interments, in New York, California, Massachusetts, Michigan and Pennsylvania. One will open in 1983 in Quantico, VA. Two more are planned, in Alabama and Florida.

Today, the National Cemetery System is composed of 108 cemeteries in 38 states and Puerto Rico. Total acreage in the system has increased from 4,000 acres when the VA took over the system to the present 9,078 acres. The increase is designed to take care of veteran funerals in the years ahead. Interments are expected to increase from 41,422 burials in 1982 to 119,500 in the year 2000.

LOOKING TO THE FUTURE

To cope with an aging patient population, the VA is expanding research in geriatrics medical treatment.

VA researchers are exploring ways to improve the treatment of spinal-cord injured, and to develop new, improved artificial limbs for amputees. VA psychiatrists and psychologists are continuing to develop techniques in the treatment of the long-term psychic effects of war, schizophrenia, alcoholism and tissue regeneration.

The VA conducts an active outreach program for those who have not taken advantage of their veteran benefits. A nationwide network of Vet Centers, expanded in 1982 to additional store-front locations, assists Vietnam era veterans who have encountered difficulties in adjusting to civilian life.

In the past two years the veteran population has begun to decline from a high point of 30 million, reached in 1980. But even without another war, the VA will be providing benefits to veterans well into the 21st Century, and to dependents of war veterans into the 22nd Century.

NUMBER OF PARTICIPANTS AND DEATHS IN SERVICE DURING ALL WARS, AND THE POST-KOREAN CONFLICT PERIOD, AND NUMBER OF LIVING VETERANS

American Revolution (1775–1784)

Participants	290,000
Deaths in service	4,000
Last veteran died April 5, 1869	Age 109
Last dependent died April 25, 1911	Age 90

War of 1812 (1812–1815)

Participants	287,000
Deaths in service	2,000
Last veteran died May 13, 1905	Age 105
Last dependent died March 12, 1946	Age 89

Mexican War (1846–1848)

Participants	79,000
Deaths in service	13,000
Last veteran died September 3, 1929	Age 98
Last dependent died November 1, 1962	Age 94

Civil War (1861–1865)

	Confederate	*Union*
Participants	[1] 1,000,000	2,213,000
Deaths in service	[1] 133,821	364,000
Last Union veteran died August 2,1956		Age 109
Last Confederate veteran died December 19, 1959		Age 117

Indian Wars (approximate 1817–1898)

Participants	106,000
Deaths in service	1,000
Last veteran died June 18, 1973	Age 101

Spanish-American War (1898–1902)

Participants	392,000
Deaths in service	11,000
Living veterans	58

See footnotes at end of table.

World War I (1917-1918)

Participants	4,744,000
Deaths in service	116,000
Living veterans	368,000

World War II (September 16, 1940—July 25, 1947)

Participants	[2] 16,535,000
Deaths in service	406,000
Living veterans	[3] 11,368,000

Korean conflict (June 27, 1950—January 31, 1955)

Participants	[2] [4] 6,807,000
Deaths in service	55,000
Living veterans	[3] [6] 5,421,000

Post-Korean conflict (February 1955—August 4, 1964)

Participants	3,195,000
Deaths in service	20,000
Living veterans	2,888,000

Vietnam era (August 5, 1964—May 7, 1975)

Participants	[4] 9,834,000
On active duty in armed forces	[5] 791,000
Deaths in service	109,000
Deaths in civil life	226,000
Living veterans	[6] 8,708,000

America's wars total through October 1, 1982

Participants	[5] 38,924,000
Deaths in service	1,081,000
Living veterans	24,262,000

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[1] Authoritative statistics for Confederate Forces not available. Estimated 28,000 Confederate personnel died in Union prisons.

[2] Includes 1,470,000 who served in both World War II and the Korean conflict.

[3] Includes 1,083,000 with service in both World War II and the Korean conflict.

[4] Includes 887,000 who served in the Korean conflict and Vietnam era.

[5] Excludes 1,320,000 active-duty service members with no active-duty service prior to May 8, 1975.

[6] Includes 520,000 who served in the Korean conflict and Vietnam era.

[7] Persons who served in more than one war period are counted only once.

COST OF VETERANS' BENEFITS BY WAR

It is estimated that through Sept. 30, 1980, the VA and its predecessor agencies will have spent $342 billion for benefits and services to veterans, their dependents and survivors. The total cost of benefits to veterans and dependents, based on the war in which the veterans served, so far:

Veterans' service	*Billions*
World War II	$155
World War I	69
Vietnam War	54
Korean Conflict	28
Spanish-American War	6
Other Wars and Peacetime Service	29

There follows a breakdown of these expenditures by programs, services, and administrative costs by war through September 1982.

BEST DOCUMENT AVAILABLE

VETERANS' ADMINISTRATION AND ITS PREDECESSOR AGENCIES EXPENDITURES FROM APPROPRIATED FUNDS BY WAR AND PURPOSE THROUGH SEPTEMBER 1982 [1]

[In thousands of dollars]

	All wars	Vietnam era	Korean conflict	World War II	World War I	Spanish-American War [2]	Other wars and peacetime service
Total	389,572,017	63,270,281	33,954,650	179,367,278	72,303,252	5,895,615	34,780,941
Cash benefits	290,596,170	53,607,848	22,762,378	127,029,407	55,194,980	5,325,978	26,675,579
Adjusted service and dependent pay	56,147				56,147		
Bonus [3]	3,820,079				3,820,079		
Compensation and pension total	201,817,349	16,227,794	16,065,159	96,535,932	47,574,341	5,293,856	20,120,267
Compensation		15,561,126	12,448,391	69,922,469	14,286,236		
Veterans		12,942,026	10,322,507	57,585,797	10,541,073		
Dependents		2,619,100	2,125,884	12,336,672	3,745,163		
Pension		666,668	3,616,768	26,613,463	33,288,105		
Veterans		356,970	1,967,284	16,771,998	21,485,935		
Dependents		309,698	1,649,484	9,841,465	11,802,170		
Insurance and indemnity	7,201,623	56,044	407,425	4,831,290	1,895,618		11,246
Vocational rehabilitation	3,658,347	1,002,453	212,371	1,643,057	645,136		155,330
Education and training	56,870,026	31,644,174	4,854,322	15,448,051	36,863	2,458	4,884,158
Readjustment allowance	3,804,875			3,804,875			
Loan guaranty	9,874,179	4,279,903	1,032,198	3,166,970			1,395,108
Autos, invalid lifts, etc	332,158	162,794	13,571	117,666	17,782	154	20,191
Homes for paraplegics, including Mortgage Life Insurance	312,848	149,032	21,445	99,335	14,400		28,636
Statutory burial	2,432,675	61,201	141,813	1,306,970	843,946	29,465	49,280
Military and naval family allowance	282,083				282,083		
Clothing allowance	133,781	24,453	14,074	75,261	8,585	45	11,363
Services rendered [4]	82,027,851	7,272,642	9,517,283	43,013,942	14,847,911	491,307	6,884,766
Capital additions and improvements	4,393,837	327,379	469,514	2,873,470	442,434	19,136	261,904
Administrative costs	12,554,159	2,062,412	1,205,475	6,450,459	1,817,927	59,194	958,692

[1] Estimates, subject to changes.

[2] Includes Boxer Rebellion and Philippine Insurrection.

[3] Adjusted Service Certificate fund (World War I bonus) which is a trust fund established by appropriations.

[4] Includes expenditures for the medical, hospital and domiciliary care programs and from the Direct Loan Revolving Fund.

Note: Expenditures reflect the net amount of vouchers approved for payment rather than the amount of checks issued and differ from amounts reported to the Office of Management and Budget and Treasury Department in accordance with Budget-Treasury Regulation No. 1A, revised, by the amount of payment and collection vouchers in transit between the Veterans' Administration and regional disbursing offices at the close of the fiscal year.

AMERICAN BATTLE MONUMENTS COMMISSION

Another agency over which the Committee has jurisdiction is the American Battle Monuments Commission, which is responsible for the construction and permanent maintenance of military cemeteries and memorials on foreign soil, as well as certain memorials in the United States.

The American Battle Monuments Commission was created by an Act of Congress in 1923 (36 USC 121-138b). Its principal functions are to commemorate the sacrifices and achievements of American

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Armed Forces where they have served since April 6, 1917; to control the design and construction of military monuments and markers in foreign countries by other U.S. citizens and organizations, both public and private; and to encourage other government agenicies; private organizations, private individuals and States to maintain properly the military monuments and markers erected by them on foreign soil; and if adequatae maintenance is not performed, to arrange for demolition of the monument or marker, or in those rare instances where its excellence of design, basic construction and aesthetic qualities warrant, to take steps to assume responsibility for it.

Currently, ABMC administers and maintains twenty-four permanent American military cemetery memorials and eleven separate monuments in nine foreign countries, and three memorials in the United States. The Commission also monitors the state of maintenance and repair of 150 private U.S. monuments and memorials in foreign countries.

Interred in the Commission's cemeteries are 124,902 U.S. War Dead—30,920 of World War I, 93,232 of World War II and 750 of the Mexican War. All ABMC cemeteries are closed to burials except (1) the newly established cemetery at Corozal, Panama, and (2) for the remains of the U.S. War Dead still found from time to time on the battlefields of those wars. In addition to the burials, these cemeteries, together with three memorials on United States soil, commemorate individually by name on Tablets of the Missing the 91,598 U.S. servicemen and women who are Missing in Action or lost or buried at sea during World War I, World War II and the Korean War. A similar commemoration was held in May, 1980 at the Honolulu Memorial for the 2,489 Missing in Action in Vietnam.

The cemeteries and memorials of the Commission are unquestionably the most beautiful and meticulously maintained cemeteries and memorials in the world. No others combine such fitness of design, beauty of landscaping and memorial features, and immaculate care. The Commission's cemeteries and memorials receive over 7,000,000 visitors each year.

BILLS ENACTED INTO LAW DURING THE 97TH CONGRESS

Public Law 97-15 (H.R. 2156, as Amended)

EXTENSION OF FUNDS FOR VETERANS' ADMINISTRATION SUPPORT OF STATE MEDICAL SCHOOLS

Mr. Mottl (for himself), Mr. Hammerschmidt, Mr. Brown of Ohio, Mr. Boner Mr. Dunn, Mr. Sam B. Hall, Jr., and Mr. Edgar.

To amend title 38, United States Code, to extend by 12 months the period during which grant funds may be expended by the Veterans Administration for the establishment and support of new State medical schools.

May 12, 1981: Ordered reported by Full Committee.

May 19, 1981: Reported to the House, House Report 97-77.

June 2, 1981: H.R. 2156, as amended, passed House under suspension of the rules by unanimous voice vote.

June 3, 1981: Passed Senate by unanimous consent.

June 17, 1981: Approved by President, Public Law 97-15.

ANALYSIS

Extends the availability of the grant funds authorized under Section 5073(a)(2)(G), title 38, United States Code from a period of 6 years to a period of 7 years following the year in which such appropriations are made.

Public Law 92-541, the Veterans' Administration Medical School Assistance and Health Manpower Training Act of 1972, established a program through which the VA could provide grant assistance for the establishment of not more than eight new State medical schools, on a pilot basis, to be located in proximity to and operated in affiliation with a VA medical facility. As a result of this authority, five new State medical schools were established with the assistance of the VA grant. Each of these new medical schools has received grants to assist in the alteration or repair of buildings in order to make them suitable for use as medical school facilities and to help pay faculty salaries.

Although new medical schools are no longer authorized to be established under the program, funds previously appropriated remain available for 6 years after the year for which they were appropriated. Under section 5973(a)(2)(G) of title 38, United States Code, a grant made to a new medical school under the program for a payment of faculty salaries may be used for that purpose only during the first 7 years of the school's operation, and only up to a statutorily specified percentage of total faculty salary costs—declining from 90 percent during the first 3 years of a school's operation to 50 percent in the seventeenth year.

Wright State University, in affiliation with the VA Medical Center in Dayton, Ohio, was the first of the five new medical schools established under this program, and it is now well into its seventh year of operation. According to information received by the Committee, Wright State University School of Medicine, because of unanticipated delays in completing its faculty roster in the first year, was unable to expend fully the first year's VA grant for faculty salaries. Thus, at the end of that year, approximately one-third of the VA grant funds were unexpended and remained in Wright State's account. It should be mentioned that the University of South Carolina Medical School, Columbia, S.C., and possibly one other, could also experience similar problems.

The bill would extend the availability of the appropriations authorized for purposes of this grant program from a period of 6 years to a period of 7 years following the year in which such appropriations are made. As amended, the bill will simply provide an additional 12-month period in which these schools could obligate the funds already committed to them under the program. The bill will limit the amount of remaining funds that could be used to pay faculty salaries during the 12-month period to 50 percent of the total cost of such salaries during that year—the same limit that currently applies in the seventh year. The bill will not authorize any additional funds beyond those already appropriated.

Public Law 97-37 (H.R. 1100, as Amended)

EXPANSION OF ELIGIBILITY CRITERIA TO CERTAIN BENEFITS AND HEALTH CARE FOR FORMER PRISONERS OF WAR

Mr. Montgomery (for himself, Mr. Hammerschmidt, Mr. Bowen, Mr. Dornan of California, Mr. Price, Mr. Mottl, Mr. Sawyer, Mr. Flippo, Mr. Kazen, Mr. Hendon, Mr. Whitten, Mr. Spence, Mr. Hefner, Mrs. Holt, Mr. Lott, Mr. Weber of Minnesota, Mr. Smith of New Jersey, Mr. Edgar, Mr. Wylie, Mr. White, Mr. Corcoran, Mr. Dunn, Mr. Courter, Mr. Obey, Mr. Williams of Montana, Mr. Dwyer, Mr. Fazio, Mr. Neal, Mr. Edwards of California, Mr. Danielson, Mr. Brinkley, Mr. Sam B. Hall, Jr., Mr. Leath of Texas, Mr. Shelby, Mr. Mica, Mr. Daschle, Mr. Murphy, Mrs. Heckler, Mr. Hillis, Mr. Guyer, Mr. Solomon, Mr. Jeffries, Mr. McEwen, Mr. Smith of Alabama, Mr. Simon, Mr. Lent, Mr. Dyson, and Mr. Won Pat)

To amend title 38, United States Code, to expand eligibility of former prisoners of war for certain benefits and health care services provided by the Veterans Administration and for other purposes.

May 4, 1981: Reported to the House. House Report 97-28.

June 2, 1981: Passed House under suspension of the rules, 394 ayes, 2 nays.

June 4, 1981: Passed Senate with language of S. 468.

July 30, 1981: House agrees to Senate amendment, with amendments.

July 30, 1981: Senate concurs with House amendments.

August 14, 1981: Approved by the President, Public Law 97-37.

ANALYSIS

The purpose of the Act is to expand basic eligibility criteria for certain benefits and health care for former prisoners of war, including persons who, during peacetime, were held under circumstances that the Administrator finds comparable to internment during a period of war by: reducing the requisite prisoner of war incarceration period from 6 months to 30 days for a presumption of malnutrition; providing service-connected benefits for psychosis and anxiety states (including post-traumatic stress neurosis) regardless of when first shown unless there is an intercurrent cause; provides inpatient and outpatient medical treatment on a new priority basis, and provides authority to establish an Advisory Committee on Former Prisoners of War.

Public Law 97-66 (S. 917 and H.R. 3995, as Amended)

VETERANS DISABILITY COMPENSATION, HOUSING AND MEMORIAL BENEFITS AMENDMENTS OF 1981

Mr. Sam B. Hall, Jr. (for himself, Mr. Wylie, Mr. Montgomery, Mr. Hammerschmidt, Mr. Danielson, Mr. Brinkley, Mr. Applegate, Mr. Murphy, Mr. Smith of Alabama, Mr. Smith of Oregon, Mr. Siljander, Mr. Edwards of California, Mr. Mottl, Mr. Edgar, Mr. Leath of Texas, Mr. Boner of Tennessee, Mr. Shelby, Mr. Mica, Mr. Daschle, Mr. Gramm, Mr. Dorgan of North Dakota, Mr. Won Pat, Mrs. Heckler, Mr. Hillis, Mr. Sawyer, Mr. McEwen, Mr. Dunn, Mr. Smith of New Jersey, and Mr. Hefner).

To amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their surviving spouses and children; to authorize the Administrator of Veterans Affairs to guarantee home loans with provision for graduated-payment plans; to increase the maximum amount payable in Veterans Administration specially adapted housing assistance; to expand eligibility for memorial markers and for other purposes.

June 25, 1981: Ordered reported by Committee.

July 16, 1981: Reported to House, House Report 97-179.

July 16, 1981: S. 917 reported by Senate Veterans Affairs Committee (S. Rept 97-153).

July 24, 1981: S. 917, as amended, passed by Senate.

September 21, 1981: H.R. 3995 passed House by voice vote.

September 21, 1981: S. 917,. as amended, passed House with language of H.R. 3995.

October 1, 1981: Senate concurs in House amendments to S. 917, with amendments.

October 2, 1981: House agrees to Senate amendments to House amendments.

October 17, 1981: Approved by the President.

ANALYSIS:

(1) Increases the rates of compensation for service-connected disabilities by an average 11.2 percent—with veterans with greater disabilities receiving a larger proportionate share of the income.

The statutory award designation payable to veterans who suffer the service-connected loss or loss of use of both upper extremities is increased by one full step.

(2) Increases by 11.2 percent dependency and indemnity compensation rates for surviving spouses and children of veterans who die of service-connected causes.

(3) Increases by 11.2 percent the aid and attendance allowance payable to eligible veterans and surviving spouses who require the regular aid and attendance of another person in their day-to-day activities.

(4) Increases by 11.2 percent the housebound allowance payable to eligible veterans and surviving spouses.

(5) Increases by 11.2 percent the additional amounts for dependents paid to certain veterans.

(6) Increases by 11.2 percent the annual clothing allowance from $274 to $305 for veterans whose service-connected disabilities require the wearing or use of a prosthetic or orthopedic appliance which tends to wear or tear the clothing.

(7) Provides a more equitable system for computation of survivors' dependency and indemnity compensation (DIC) when an overpayment is created by the retroactive addition of another child who is attending school. Eliminates duplication of DIC for the month in which a child in the widow's custody becomes 18 if such child is pursuing a course of higher education and becomes eligible for DIC benefits in his or her own right.

(8) Increases the automobile assistance allowance payable on a one-time basis to certain severely disabled veterans from $3,800 to $4,400.

(9) Extends eligibility for automobile adaptive equipment in certain cases to service-connected disabled veterans who suffer from ankylosis of the hip or knee if the State automobile licensing authorities and the Chief Medical Director of the Veterans' Administration determine that such equipment is necessary.

(10) Effective December 1, 1981, Servicemen's Group Life Insurance and Veterans' Group Life Insurance coverage is increased from $20,000 to $35,000.

(11) Permits GI insurance to be paid in a lump sum when an insured veteran fails to designate a method of payment.

(12) Requires the Secretary of Defense to issue regulations to insure timely collection of SGLI premiums for eligible Ready Reservists.

(13) Permits the VA to guarantee home loans which have provisions for graduated payment plans. The loans would be limited to the acquisition of one-family dwelling units, which include condominiums and mobile homes. The maximum loan principal (including all interest to be deferred and added thereto) would be based on the projected value of the property calculated by adding an amount up to 2.5 percent per year not to exceed 115 percent to the initial reasonable value of the property as determined by the Administrator. Exempts such a guaranteed loan from any State law prohibiting interest on interest, or requiring minimum amortization.

(14) Extends the maximum terms of guaranteed loans for mobilehome purchases from 15 years and 32 days in the case of a loan for the purchase of a single-wide home and for a single-wide home and

a lot to 20 years; from 20 years, 32 days to 23 years for a double-wide mobile home and from 20 years, 32 days to 25 years for a double-wide home and lot.

(15) Increases the specially adapted housing assistance grant for "wheelchair" homes from $30,000 to $32,500.

(16) Clarifies the intent of Congress in the bar to VA benefits enacted last year as an amendment to the Defense Appropriations for fiscal year 1981, Public Law 96–342, to make certain that individuals who enter the All Volunteer Forces serve at least 24 months of their obligated service in order to qualify for veterans' benefits.

(17) Insures that the spouse of a veteran who dies of a service-connected disability has a reasonable period of time to use his or her eligibility for educational benefits when there is a delay in establishing that the death was service-connected.

(18) Permits the Veterans' Administration to waive a formal requirement of a pro-rata refund of tuition when the amount to be refunded is so small that it would cause an unreasonable administrative burden.

(19) Prevents certain veterans from losing pension while undergoing rehabilitation at a Veterans' Administration medical facility.

(20) Provides headstones or markers in cemeteries for veterans whose remains were not recovered, were buried at sea, cremated or donated to science. Permits the Administrator of Veterans' Affairs to set aside, when available, an area in a national cemetery to honor such veterans.

(21) Requires the Administrator of Veterans' Affairs to include in his annual budget any plans to make major reductions in personnel or close VA facilities. Provides that such changes cannot be implemented until the start of the next fiscal year, thus giving the Congress an opportunity to take legislative action to prevent such closings.

(22) Prevents the Veterans' Administration from using funds appropriated for VA medical care, medical and prosthetic research, and medical administration and miscellaneous operating expenses for the conduct of certain cost-comparison studies regarding the contracting-out of functions of the VA's Department of Medicine and Surgery.

(23) Clarifies the intent of Congress in Public Law 96–151 that the Director of the Office of Management and Budget certify that the funding and personnel ceilings appropriated have been provided to the Veterans' Administration. The Office of Management and Budget has interpreted the certificate to apply only to funds appropriated for a full fiscal year. It is the intent of Congress that such certifications apply also to appropriations for less than a full fiscal year.

(24) Names the Veterans' Administration Medical Center in Reno, Nev. as the "Ioannis A. Lougaris Veterans' Administration Medical Center", and the VA Medical Center in Clarksburg, W. Va. as the "Louis A. Johnson Veterans' Administration Medical Center".

	Increase (monthly rate)	
	From —	To —
Percentage of disability or subsection under which payment is authorized:		
(a) 10 percent	$54	$58
(b) 20 percent	99	107
(c) 30 percent	150	162
(d) 40 percent	206	232
(e) 50 percent	291	328
(f) 60 percent	367	413
(g) 70 percent	434	521
(h) 80 percent	503	604
(i) 90 percent	566	679
(j) 100 percent	1,016	1,130
Higher statutory awards for certain multiple disabilities:		
(k)(1) Additional monthly payment for anatomical loss, or loss of use of, any of these organs: one foot, one hand, blindness in one eye (having light perception only), one or more creative organs, both buttocks, organic aphonia (with constant inability to communicate by speech), deafness of both ears (having absence of air and bone conduction)—for each loss	62	62
(2) Limit for veterans receiving payments under (a) to (j) above	1,262	1,403
(3) Limit for veterans receiving benefits under (l) to (n) below	1,768	1,966
(l) Anatomical loss or loss of use of both feet, one foot and one hand, blindness in both eyes (5/200 visual acuity or less), permanently bedridden or so helpless as to require aid and attendance	1,262	1,403
(m) Anatomical loss or loss of both hands, or of both legs, at a level preventing natural knee action with prosthesis in place or of 1 arm and 1 leg at a level preventing natural knee or elbow action with prosthesis in place or blind in both eyes, either with light perception only or rendering veteran so helpless as to require regular aid and attendance	1,391	1,547
(n) Anatomical loss of both eyes or loss of use of both arms at a level preventing natural elbow action with prosthesis in place or anatomical loss of both legs so near hip as to prevent use of prosthesis, or anatomical loss of 1 arm and 1 leg so near shoulder and hip as to prevent use of prosthesis	1,581	1,758
(o) Disability under conditions entitling veterans to two or more of the rates provided in (l) through (n), no condition being considered twice in the determination, or deafness rated at 60 percent or more (impairment of either or both ears service-connected) in combination with total blindness (5/200 visual acuity or less) or anatomical loss of both arms so near the shoulder as to prevent use of prosthesis	1,768	1,966
(p)(1) If disabilities exceed requirements of any rates prescribed, Administrator of VA may allow next higher rate or an intermediate rate, but in no case may compensation exceed	1,768	1,966
(2) Blindness in both eyes (with 5/200 visual acuity or less) together with (a) bilateral deafness rated at 40 percent or more disabling (impairment of either or both ears service-connected) next higher rate is payable, or (b) service-connected total deafness of one ear next intermediate rate is payable, but in no event may compensation exceed	1,768	1,966
(3) Anatomical loss or loss of use of three extremities, the next higher rate in paragraphs (l) to (n) but in no event in excess of	1,768	1,966
(q) [This subsection repealed by Public Law 90-493.]		
(r)(1) If veteran entitled to compensation under (o) or to the maximum rate under (p); or (effective October 1, 1979) at the rate between subsections (n) and (o) and under subsection (k), and is in need of regular aid and attendance, he shall receive a special allowance of the amount indicated at right for aid and attendance in addition to such rates	759	844
(2) If the veteran, in addition to need for regular aid and attendance, is in need of a higher level of care, a special allowance of the amount indicated at right is payable in addition to (o) or (p) rate	1,130	1,257
(s) Disability rated as total, plus additional disability independently ratable at 60 percent and over, or permanently housebound	1,137	1,264
(t) Additional monthly allowance for a veteran in receipt of compensation for a disability not evaluated more than 90 percent disabling who has suffered a service-connected loss or loss of use of an extremity evaluated not less than 40 percent and has suffered a nonservice connected loss or loss of use of the paired extremity evaluated at not less than 40 percent	219	244

In addition to basic compensation rates and/or statutory awards to which the veteran may be entitled, dependency allowances are payable to veterans who are rated at not less than 30 percent disabled. The rates which follow are those payable to veterans while

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rated totally disabled. If the veteran is rated 30, 40, 50, 60, 70, 80, or 90 percent disabled, dependency allowances are payable in an amount bearing the same ratio to the amount specified below as the degree of disability bears to total disability. For example, a veteran who is 50 percent disabled receive 50 percent of the amounts appear below.

	Increase (monthly rate)	
	From—	To—
If and while veteran is rated totally disabled and—		
(A) has a spouse but no child living	$62	$69
(B) has a spouse and one child living	104	116
(C) has a spouse and two children living	138	153
(D) has a spouse and three or more children living	173	192
(plus for each living child in excess of three)	34	38
(E) has no spouse but one child living	42	47
(F) has no spouse but two children living	77	86
(G) has no spouse but three or more children living	111	123
(plus for each living child in excess of three)	34	38
(H) has a mother or father, either or both dependent upon him for support for each parent so dependent	50	56
(I) for a spouse who is a patient in a nursing home or who is so helpless as to require regular aid and attendance	112	125
(J) for each child who has attained age 18 and who is pursuing a course of instruction at an approved educational institution	94	105

The following increases are provided for surviving spouses of deceased veterans whose deaths are service-connected and who are receiving dependency and indemnity compensation (DIC) payments:

Pay grade	From—	To—	Pay grade	From—	To—
E-1	$373	$415	W-4	$535	$595
E-2	385	428	0-1	472	525
E-3	394	438	0-2	487	542
E-4	419	466	0-3	522	580
E-5	431	479	0-4	551	613
E-6	441	490	0-5	608	676
E-7	462	514	0-6	684	761
E-8	487	542	0-7	741	824
E-9	[1] 510	[1] 567	0-8	812	903
W-1	472	525	0-9	872	970
W-2	491	546	0-10	[2] 954	[2] 1061
W-3	505	562			

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[1] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps or master chief petty officer of the Coast Guard, the surviving spouse's rate is increased from $549 to $610.

[2] If the veteran served as Chairman of the Joint Chiefs of Staff; Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, the rate for the surviving spouse is increased from $1,028 to $1,138.

Increases by 11.2 percent, from $43 to $48 monthly, the additional DIC rate payable to surviving spouses for each child of the veterans under age 18.

Increases by 11.2 percent, from $112 to $125 monthly, the spouses' aid and attendance rate.

Increases by 11.2 percent, from $56 to $62 monthly, the spouses' housebound rate.

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When there is no surviving spouse receiving dependency and indemnity compensation, payment is made in equal shares to the children of the deceased veteran. These rates are increased as follows:

	Increase (monthly rate)	
	From—	To—
1 child	$189	$210
2 children	271	301
3 children	350	389
Each additional child	71	79

Increases by 11.2 percent, from $112 to $125 monthly, the additional rate payable to a child who has attained the age of 18 but who became permanently incapable of self-support while under such age.

Increases by 11.2 percent, from $189 to $210 monthly, the rate payable concurrently with the payment of DIC to a widow with a child who has attained the age of 18 but who became permanently incapable of self-support while under such age.

Increases by 11.2 percent, from $96 to $107 monthly, the rate payable to a child who has attained the age of 18 but is no more than 22 and pursuing a course of instruction at an approved educational institution concurrently with the payment of DIC to a surviving spouse.

Public Law 97-72 (H.R. 3499, as Amended)

VETERANS HEALTH CARE, TRAINING AND SMALL BUSINESS LOAN ACT OF 1981

Mr. Mottl (for himself, Mr. Montgomery, Mr. Hammerschmidt, Mr. Edwards of California, Mrs. Heckler, Mr. Danielson, Mr. Wylie, Mr. Brinkley, Mr. Hillis, Mr. Edgar, Mr. Sawyer, Mr. Applegate, Mr. Solomon, Mr. Leath of Texas, Mr. McEwen, Mr. Boner of Tennessee, Mr. Dunn, Mr. Mica, Mr. Smith of New Jersey, Mr. Daschle, Mr. Smith of Alabama, Mr. Murphy, Mr. Dorgan of North Dakota, Mr. Won Pat, and Mr. Hefner).

Additional sponsors: Mr. Coelho, Mr. Obey, Mr. Sam B. Hall, Jr.

To amend title 38, United States Code, to extend the period for Vietnam-era veterans to request counseling under the veterans' readjustment counseling program, to provide medical care eligibility for veterans exposed to herbicides or defoliants (including Agent Orange) or to nuclear radiation, to establish a minimum total number of operating beds in Veterans' Administration hospital and nursing home facilities, to extend for certain Vietnam-era veterans the period of time in which GI bill educational assistance benefits may be used for the pursuit of certain training, to provide a small business loan program for Vietnam-era and disabled veterans, and to extend the authority for veterans readjustment appointments in the civil service; and for other purposes.

May 12, 1981: Ordered reported by Full Committee.

May 15, 1981: S. 921 reported by Senate Veterans Affairs Committee (S. Rept. 97-89).

May 19, 1981: Reported to House, House Report 97-79.

June 2, 1981: Passed House under suspension of the rules by a vote of 388 yeas to 9 nays.

June 16, 1981: Considered and passed by Senate with the language of S. 921.

October 2, 1981: House concurs with Senate amendments, with amendments.

October 16, 1981: Senate concurs with House amendments to Senate amendments.

November 3, 1981: Approved by the President.

ANALYSIS

1. Extends from December 31, 1981 to September 30, 1982 the authority to provide contract medical care and services in Puerto Rico and the Virgin Islands. This extension insures that the Veterans' Administration could maintain the medical care now being provided pending a review and analysis of a VA study and the development of a comprehensive approach to the future provision of health care to eligible veterans outside the United States.

2. Provides eligibility for the provision of basic health-care services by the Veterans' Administration for a veteran's disability if it is found that the veteran, during active duty, may have been exposed in Vietnam to any toxic substance in a herbicide or defoliant, or to ionizing radiation from the testing of a nuclear device following World War II. Such disability must be determined by a VA physician or an authorized medical representative as possibly having resulted from exposure to a herbicide or ionizing radiation. This new eligibility for health-care services expires 1 year following the submission of the first report by the Veterans' Administration on the epidemiological study mandated by Public Law 96-151.

3. Extends the readjustment counseling program for Vietnam-era veterans for 3 additional years. The present authority for "Vet Centers" expired on September 30, 1981, and the program will now be extended to September 30, 1984. Requires the Administrator of Veterans' Affairs, during the year ending September 30, 1984, to take steps to insure the transition of the readjustment counseling program from one providing counseling primarily in facilities apart from other VA health-care facilities to one providing counseling primarily through regular VA medical facilities and to submit a report on those steps to the Congress by April 1, 1984. After September 30, 1984, the VA may continue readjustment counseling within VA medical centers and outpatient clinics. The Administrator may continue to operate Vet Centers after September 30, 1984, particularly in areas where the demand for counseling is expected to remain at a high level and VA facilities in the immediate area would be unable to absorb the demand for services.

4. Provides the Administrator of Veterans' Affairs, subject to the amount specifically appropriated for such grants in each fiscal year, with grant authority of $500,000 per year for a period of 5 years ending September 30, 1986 to assist in the replacement or upgrading of equipment and the rehabilitation of the physical plant

and facilities of the Veterans' Memorial Medical Center in the Republic of the Philippines. Additionally, the Administrator is provided with authority to contract for the care and treatment of U.S. veterans in the Veterans' Memorial Medical Center in the Philippines.

5. Provides that, in the case of a veteran reentering service within 1 year of leaving service, the 90-day period provided within which to apply for outpatient dental care for noncompensable conditions relating to the first period of service will be reinstated following discharge from the second period of service. Additionally, if a veteran reenters service within 1 year of discharge he may be furnished such dental care if he applies within 1 year of subsequent discharge if the original discharge from service was before August 13, 1981.

6. Authorizes treatment in VA facilities of individuals eligible for health care through the Civilian Health and Medical Program, Veterans' Administration, (CHAMPVA) where the use of VA facilities for CHAMPVA beneficiaries does not interfere with the care or treatment of any eligible veteran.

7. Requires the Administrator to operate and maintain a combined total of 90,000 hospital and nursing home beds, and to maintain the availability of such additional beds and facilities as are necessary to fulfill the Administrator's contingency responsibility regarding assistance to the Defense Department. Requires the Chief Medical Director to conduct an annual review of health-care admissions policies and practices, including an analysis of the adequacy of the mix of operating beds (as between hospital, intermediate care and nursing home beds). Based on the annual review, the Administrator shall submit to the Congress annually on December 1 a report including recommendations on the appropriate staffing and funds needed for the numbers of operating beds recommended.

8. Provides authority for the VA to recover the reasonable costs of care and services from a State (or a political subdivision thereof) employer, employer's insurance carrier, automobile accident reparations insurance carrier, or in situations arising under a State's "victims of crime" law to the extent that the veteran, or the provider of care and services to the veteran, would be eligible to receive reimbursement for such care and services if they had not been furnished by the Veterans' Administration.

9. Effective January 1, 1982, the delimiting period of an eligible Vietnam-era veteran whose GI bill delimiting period would otherwise have expired is extended through December 31, 1983. The extended period may be used for remaining educational assistance benefits for pursuit of a program of apprenticeship or other on-job training or a program with a vocational objective or for pursuit of a program of secondary education, if the Administrator determines that the veteran is in need of such programs in order to achieve a suitable occupational or vocational objective.

10. Extends the period of eligibility of Veterans' Readjustment Appointment (VRA) authority within the Federal Government from the current expiration date of September 30, 1981 until September 30, 1984. VRA noncompetitive excepted appointments in the Federal Government assist veterans of the Vietnam-era with no more than 14 years of education and disabled veterans (with no

educational limitation) to develop skills through a program combining employment, education and training. Such appointments are made only under a training or education program developed by a Federal department or agency, in accordance with guidelines established by the Office of Personnel Management.

11. Authorizes a one-time appropriation of $25 million for the establishment of a program of small business loans for certain service-connected disabled and Vietnam-era veterans under which the Administrator may, until September 30, 1986, offer loan guarantees and direct loan assistance of up to $200,000 for veterans' small business concerns.

12. Authorizes the Administrator to expand the scope of the Agent Orange epidemiological study mandated by Public Law 96-151 to include additional factors including exposure to other herbicides, chemicals, medications or environmental hazards or conditions. The Administrator may also expand the study to include the means of detecting and treating the adverse health effects, if any, found through the study and/or review of the world literature on phenoxy herbicides. The Administrator shall publish in the Federal Register, for public review and comment, the actions, if any, the Veterans' Administration proposes to take with respect to VA programs in light of the results of the study and other available pertinent information.

13. Postpones the effective date of the method of computing retirement benefits for part-time employees in the Department of Medicine and Surgery from October 1, 1981 to December 31, 1981. Public Law 96-330 allowed part-time employees of the Department of Medicine and Surgery to receive service credit on a proportionate basis equal to the function that such service bears to full-time service when computing retirement annuities. The postponement will allow publication and implementation of provisions of Public Law 96-330 relating to part-time employees, and will remove an unintended impact on career part-time employees resulting from the original provisions contained in Public Law 96-330.

Public Law 97-174 (S. 266 and H.R. 3502, as Amended)

VETERANS ADMINISTRATION AND DEPARTMENT OF DEFENSE HEALTH RESOURCES SHARING AND EMERGENCY OPERATIONS ACT

Mr. Mottl (for himself, Mr. Montgomery, Mr. Hammerschmidt, Mr. Edwards of California, Mrs. Heckler, Mr. Danielson, Mr. Wylie, Mr. Brinkley, Mr. Hillis, Mr. Edgar, Mr. Sawyer, Mr. Applegate, Mr. Solomon, Mr. Leath of Texas, Mr. McEwen, Mr. Boner of Tennessee, Mr. Dunn, Mr. Mica, Mr. Smith of New Jersey, Mr. Daschle, Mr. Smith of Alabama, Mr. Gramm, Mr. Murphy, Mr. Dorgan of North Dakota, Mr. Won Pat, and Mr. Hefner).

To amend title 38, United States Code, to promote greater sharing of health-care resources between the Veterans' Administration and the Department of Defense and to direct the Secretary of Defense and the Administrator of Veterans' Affairs to plan for the provision of health care by the Veterans' Administration during periods of war or national emergency to members of the Armed Forces on active duty; and for other purposes.

May 19, 1981: House Committee on Veterans' Affairs reported H.R. 3502. House Report 97-72, Part 1.

June 15, 1981: S. 266 reported by Senate Governmental Affairs Committee, Senate Report 97-137.

September 29, 1981: S. 266 reported by Seante Veterans' Affairs Committee, Senate Report 97-196.

October 27, 1981: S. 266, amended, passed by Senate.

October 27, 1981: House Committee on Armed Services reported H.R. 3502, House Report 97-72, Part 2.

November 4, 1981: House passed H.R. 3502, as amended, by a vote of 386 yeas and no nays.

November 4, 1981: S. 266 taken from Speaker's table and amended with language of H.R. 3502, as amended.

April 1, 1982: Senate concurs with House amendments, with an amendment in the nature of a substitute.

April 20, 1982: House concurs with Senate amendments.

May 4, 1982: Approved by the President.

ANALYSIS

Expresses the findings of Congress that there are opportunities for greater sharing of the health-care resources of the Veterans' Administration and the Department of Defense which would, if achieved, be beneficial to both veterans and members of the Armed Forces and could result in reduced costs to the Government by minimizing duplication and underuse of health-care resources. Accordingly, there is established an interagency committee to be known as the Veterans' Administration/Department of Defense Health-Care Resources Sharing Committee, composed of the Chief Medical Director of the Veterans' Administration and the Assistant Secretary of Defense for Health Affairs, with such other officers and employees of their respective agencies as they each designate as members. The size of the Committee will be mutually determined by the Chief Medical Director and the Assistant Secretary of Defense for Health Affairs. The Chief Medical Director will chair the Committee in fiscal years 1982 and 1983, the Assistant Secretary will chair it in fiscal year 1984, and thereafter the chairmanship will alternate between them each subsequent fiscal year. Administrative support services for the Committee will be provided by the VA and DOD on an equitable basis. The Committee will make recommendations to the Administrator of Veterans' Affairs or the Secretary of Defense or both for promoting sharing of health-care resources between the agencies. The duties assigned to the Committee will include the following:

(a) Review existing policies, procedures, and practices relating to the sharing of health-care resources between the agencies and identify and assess further opportunities for sharing which will not adversely affect the range of services, the quality of care, or the established priorities for care provided by either agency;

(b) Monitor the plans of both agencies for acquiring additional health-care resources in order to assess the potential impact of such plans on further opportunities for sharing of health-care resources;

(c) Within nine months of the date of enactment and thereafter, make recommendations to the Administrator and the Secretary of Defense or both with respect to changes in policies, procedures, and practices that will promote such sharing.

In carrying out these duties, and, after considering the recommendations of the Chief Medical Director and the Assistant Secretary of Defense for Health Affairs, the Administrator and the Secretary of Defense are required to jointly establish guidelines for the sharing of medical resources within 1 year after the date of enactment. Such guidelines are required to include the following:

(a) Provide that the individual facility director or the officer in charge may enter into cooperative sharing agreements;

(b) Provide that primary beneficiaries entitled to direct health care in a facility of one agency may, pursuant to an explicitly defined agreement, be provided medical care at a facility of the other agency;

(c) Provide that each such agreement shall ensure that the availability of direct health care to individuals who are not primary beneficiaries of the providing agency (individuals entitled to direct health care in VA facilities or, for DOD, members or former members of the Armed Forces) shall be on a referral basis and not adversely affect the range of services, quality of care, or priority access for services to primary beneficiaries of the providing agency; and

(d) Provide that reimbursement for such services be based on a costing methodology agreed upon by the Chief Medical Director and the Assistant Secretary of Defense for Health Affairs and be based on the actual cost of the services provided; and such reimbursements be credited to the appropriation of the facility that provided the services.

An annual joint report to Congress is required to be submitted at the time of the President's budget for the next fiscal year with regard to sharing accomplishments during the preceding fiscal year, problems encountered, future plans, and recommendations for additional legislative authority.

FURNISHING OF HEALTH-CARE SERVICES TO MEMBERS OF THE ARMED FORCES DURING A WAR OR NATIONAL EMERGENCY

The new law further recognizes the need for the VA and DOD to participate in joint contingency planning. The measure establishes the formal role of the VA health care system as the primary backup to the DOD health care system for treatment of members of the U.S. Armed Forces engaged in armed conflict during a period of war or national emergency declared by the President or the Congress. Recognizing the need to provide maximum flexibility to the VA health care system to meet this new mandate, this legislation establishes a special priority for treating members of the Armed Forces during a period of war or national emergency. This priority is second only to the priority of service-connected veterans for care and treatment.

It provides special contract authority during such a period of war or national emergency to permit the Administrator, pursuant to regulations to be prescribed, to furnish (1) hospital care for veterans currently receiving outpatient medical services under subsections (f) and (g) of Section 612 of title 38, United States Code, if delay in furnishing such hospital care would be likely to result in deterioration of the veteran's condition, and (2) hospital care or medical services for veterans not currently receiving medical services for the treatment of a medical emergency which poses a serious threat to life or health of the veteran, if VA facilities are not capable of furnishing such care because of furnishing care to members of the Armed Forces under this new authority.

It also provides for reimbursement from DOD to the VA at such rates as are agreed upon by the Administrator and the Secretary of Defense. Rates would be based on the cost of the care and service provided and reimbursement to the VA would be credited to the VA facility providing the care or service.

The measure directs the Administrator of Veterans' Affairs and the Secretary of Defense to enter into an agreement within 6 months after the date of enactment to pursue planning activities and to establish procedures and guidelines for the implementation of this measure. Not later than 365 days after the date of enactment the Administrator is required to submit to Congress complete plans for implementing the requirement for provision of hospital care and medical services to members of the Armed Forces on active duty. The Administrator and the Secretary of Defense will jointly review the plans annually and report any modification to the plans to Congress within 30 days.

Upon the declaration of war or national emergency by the President or the Congress, the Administrator is required to report to the Congress within 30 days, or as soon thereafter as is reasonably practicable, on the allocation of facilities and personnel to provide priority hospital care to Armed Forces casualties.

Additionally, the measure restores the availability of G.I. Bill reimbursements to Vietnam era veterans for correspondence training in the current fiscal year. The HUD-Independent Agencies Appropriations Act for fiscal year 1982 (Public Law 97-162) eliminated payments for correspondence training in the current fiscal year. It is the belief of the Congress that correspondence training is an entitlement, and not a discretionary program, and, therefore, the VA is obligated to reimburse veterans for this type of training as provided by law.

Finally, the Veterans' Administration Medical Center in Indianapolis, Indiana is designated as the "Richard L. Roudebush Veterans' Administration Medical Center". Such a designation commemorates Mr. Roudebush's service to the veterans of the Nation as a former National Commander of the Veterans of Foreign Wars, former Member of Congress (1961-1971), and as Administrator of Veterans' Affairs from 1974-1977.

Public Law 97-219 (S. 881 and H.R. 4326, Amended)

SMALL BUSINESS INNOVATIVE DEVELOPMENT ACT OF 1982

Mr. La Falce, Mr. Mitchell of Maryland, Mr. Smith of Iowa, Mr. Addabbo, Mr. Gonzalez, Mr. Bedell, Mr. Richmond, Mr. Nowak, Mr. Luken, Mr. Ireland, Mr. Skelton, Mr. Evans of Georgia, Mr. Stenholm, Mr. Mazzoli, Mr. Mavroules, Mr. Crockett, Mr. Hatcher, Mr. Wyden, Mr. Eckart, Mr. Dorgan of North Dakota, Mr. Savage, Mr. Roemer, Mr. Fary, Mr. McDade, Mr. Conte, Mr. Stanton of Ohio, Mr. Broomfield, Mr. Marriott, Mr. Williams of Ohio, Mrs. Snowe, Mr. Daniel B. Crane, Mr. Hiler, Mr. Staton of West Virginia, Mr. Weber of Minnesota, Mr. Daub, Mr. Smith of New Jersey, Mr. Weber of Ohio, Mr. Dreier, Mr. Molinari, Mr. Siljander, Mr. Akaka, Mr. Atkinson, Mr. Barnard, Mr. Barnes, Mr. Bevill, Mr. Bonker, Mr. Bowen, Mr. Brown of Ohio, Mr. Clay, Mr. Clinger, Mr. Coelho, Mr. Corrada, Mr. D'Amours, Mr. Daschle Mr. Dixon, Mr. Dunn, Mr. Dwyer, Mr. Edgar, Mr. Fauntroy, Ms. Ferraro, Mr. Fish, Mr. Foglietta, Mr. Ford of Tennessee, Mr. Frank, Mr. Gejdenson, Mr. Gingrich, Mr. Glickman, Mr. Green, Mr. Hansen of Utah, Mr. Horton, Mr. Hoyer, Mr. Hughes, Mr. Kildee, Mr. Kogovsek, Mr. Lantos, Mr. Leach of Iowa, Mr. Lewis, Mr. Lowery of California, Mr. Lundine, Mr. McHugh, Mr. McKinney, Mr. Madigan, Mr. Markey, Mr. Marks, Mr. Martin of New York, Mrs. Martin of Illinois, Mr. Mica, Ms. Mikulski, Mr. Montgomery, Mr. Murphy, Mr. Neal, Mr. Nelligan, Mr. Patterson, Mr. Porter, Mr. Pritchard, Mr. Rahall, Mr. Railsback, Mr. Rodino, Mr. Roe, Mr. Roth, Mr. Seiberling, Mr. Solomon, Mr. Stangeland, Mr. Sunia, Mr. Vento, Mr. Weaver, Mr. Wilson, Mr. Wirth, Mr. Wolpe, Mr. Won Pat, Mr. Wortley, Mrs. Collins of Illinois, Mr. Fazio, Mr. Mitchell of New York, Mr. Dyson, Mr. Stokes, Mr. Myers, Mr. Coats, Mr. Forsythe, Mrs. Bouquard, Mr. Conyers, Mr. Hagedorn, Mr. McEwen, Mr. Ottinger, Mr. Gregg, Mr. Williams of Montana, Mr. Roberts of South Dakota, Mrs. Schneider, Mr. Simon, Mr. Boner of Tennessee, Mr. Winn, Mr. Benjamin, Mr. Biaggi, Mr. Bailey of Pennsylvania, Mr. Andrews, Mr. Brodhead, Mr. Stark, Mr. James K. Coyne, Mr. Brinkley, Mr. Ritter, Mr. Anthony, Mr. Dicks, Mr. Dymally, Mr. Ginn, Mr. Clausen, Mr. Smith of Oregon, Mr. Broyhill, Mr. Erdahl, Mr. Downey, Mr. Moorhead, Mr. Corcoran, Mr. Fascell, Mr. Guarini, Mr. de la Garza, Mr. Gaydos, Mr. Albosta, Mr. Fields, Mr. Hall of Ohio, Mr. Dornan of California, Mr. Lagomarsino, Mr. DeNardis, Mr. Ratchford, Mr. Lehman, Mr. Hyde, Mr. Emery, Mr. Jones of Oklahoma, Mr. Quillen, Mr. Jeffords, Mr. Frenzel, Mr. Burgener, Mr. Bereuter Mr. Marlenee, Mr. Oberstar, Mr. Murtha, Mr. Lee, Mrs. Chisholm, Mr. Ralph M. Hall, Mr. Watkins, Mr. Rangel, Mr. Schumer, Mr. Jenkins, Mr. Smith of Pennsylvania, Mr. Whittaker, Mr. Pepper, Mr. Jeffries, Mr. Vander Jagt, Mr. Chappell, Mr. Wolf, Mr. Oxley, and Mr. Findley.

To amend the Small Business Act to strengthen the role of the small, innovative firms in federally funded research and development, and to utilize Federal research and development as a base for technological innovation to meet agency needs and to contribute to the growth and strength of the Nation's economy.

November 20, 1981: Reported by Committee on Small Business, House Report 97-349, Part I.

March 16, 1982: Reported by Committee on Veterans' Affairs, House Report 97-349. Part III.

June 23, 1982: Passed House, as amended, by vote of 353 yeas to 57 nays. Passage vacated and S. 881, as amended with language of H.R. 4326, was passed in lieu; thereof.

June 29, 1982: Senate concurs with House amendments.

July 22, 1982: Approved by the President.

ANALYSIS

An integral part of the mission of the Veterans' Administration's Department of Medicine and Surgery is to conduct research and development in order to meet the health care needs of our Nation's veterans. The research program is a critical component of the agency's goal for delivery of quality health care. Research and development projects are carried out at 129 VA hospitals where approximately 4,100 investigators are engaged in some 5,200 research projects.

The vast majority of appropriated funds are expended to support intramural medical research with the primary goal of the development of new and better techniques and methods of treating the disabilities and diseases of veterans, and a secondary goal of attracting well-qualified physicians and other health professionals to the VA hospital system. These goals provide the VA with information to render the highest quality of medical care to all eligible veterans.

VA medical research is a unique national research program. Unlike any other Federal agencies, 80 percent of the VA investigators are clinicians whose major duty is to care for patients in the agency's medical centers and clinics. These clinician-researchers study problems of importance to the veterans population and the Nation as a whole. Among other problems, these include alcoholism, schizophrenia, delayed stress disorder of Vietnam era veterans, aging and spinal cord injury/regeneration. Additional subjects of study are injuries related to wartime experience and other prevalent health problems of veterans such as cancer, diabetes, chronic heart disease, and chronic pulmonary disease. The medical research program of the VA also contributes to the Nation's health care since most health problems of veterans are shared by non-veterans.

The quality of research conducted by the VA has long been recognized as among the best in the country. Two VA career scientists and senior medical investigators were awarded the coveted 1977 Nobel Prize in the field of medicine. The two VA awards represent one of the few times Nobel Prizes have ever gone to scientists employed by the United States Government, and were the first ever to go to VA medical researchers. Dr. Rosalyn S. Yalow, VA Medical Center, Bronx, New York, was awarded the Prize for the development of radioimmuno-assays of peptide hormones. Dr. Andrew V. Schally, VA Medical Center, New Orleans, Louisiana, and Dr. Roger Guillemin of the Salk Institute in San Diego, California, received the Prize "for their discoveries concerning the peptide hormone production of the brain." International and national awards and honors too numerous to mention have been given to VA researchers in recognition of their outstanding achievements in the field of medicine.

The Committee on Veterans' Affairs strongly supports the provision in Public Law 97-219 which limits the program to extramural research and development activities only. The VA program is excellent and should continue in its present form. To set aside a percentage of research funds for the Small Business Innovation Research Program would dilute, if not defeat, the intent of Congress in authorizing this type of research program. This is most pronounced at this particular time, since the VA Medical and Prosthetic Research Program sustained a reduction in excess of $22 million in the fiscal year 1982 appropriation. Some VA research and development programs have been reduced in recent years, although the appropriations have continued to increase. Between 1977 and 1981, the research budget grew only at the rate of 6.5 percent a year, below the inflation rate during the same time period.

Hearings conducted by the Subcommittee on Hospitals and Health Care during the past several years have shown that the VA cannot compete with the private sector in the remuneration provided highly qualified clinicians. The in-house research opportunities afforded them by the VA contribute greatly to recruitment and retention of physicians and other highly trained and qualified individuals. Further reductions in this program could adversely affect the agency's ability to recruit and retain physicians and other health-care personnel.

Medical and Prosthetic Research programs in biomedical research, health care services delivery, and rehabilitation research related to the physically handicapped veterans have significantly contributed to the advancement of medical care by providing new and improved therapies, techniques, prostheses and diagnostic procedures.

Public Law 97-251 (H.R. 6350, as Amended)

VETERANS' ADMINISTRATIVE HEALTH CARE PROGRAMS IMPROVEMENT AND EXTENSIVE ACT OF 1982

Mr. Montgomery (for himself, Mr. Hammerschmidt, Mr. Edwards of California, Mr. Brinkley, Mrs. Heckler, Mr. Mottl, Mr. Edgar, Mr. Wylie, Mr. Sam B. Hall, Jr., Mr. Hillis, Mr. Applegate, Mr. Sawyer, Mr. Leath of Texas, Mr. Solomon, Mr. Boner of Tennessee, Mr. Jeffries, Mr. Mica, Mr. McEwen, Mr. Daschle, Mr. Dunn, Mr. Stump, Mr. Smith of New Jersey, Mr. Dowdy, Mr. Smith of Alabama, Mr. Gramm, Mr. Smith of Oregon, Mr. Murphy, Mr. Siljander, Mr. Dorgan of North Dakota, Mr. Napier, Mr. Won Pat, and Mr. Nelligan).

To amend title 38, United States Code, to enhance recruitment and retention by the Veterans' Administration of nurses and certain other health-care personnel, to improve the Veterans' Administration Health Professional Scholarship Program and certain aspects of other Veterans' Administration health-care programs, and to extend certain expiring Veterans' Administration health-care programs; and for other purposes.

May 17, 1982: H.R. 6350 reported by House Committee on Veterans' Affairs (House Report 97-543).

June 8, 1982: S. 2385 reported by Senate Committee on Veterans' Affairs (Senate Report 97-467).

June 15, 1982: H.R. 6350 passed House by vote of 390-0.

June 21, 1982: H.R. 6350, as amended with language of S. 2385, passed Senate by voice vote.

August 19, 1982: House agrees to Senate amendments, with amendments.

August 20, 1982: Senate concurs with House amendments.

September 8, 1982: Approved by the President.

ANALYSIS

(1) Provides Administrator of Veterans' Affairs discretionary authority to pay premium pay to nurses for Saturday work.

(2) Provides Administrator with authority, when determined to be necessary in order to obtain and retain the services of nurses at Veterans' Administration health-care facilities, to consider that nurses at VA medical facilities who work 2 regularly scheduled 12-hour tours of duty within the period commencing midnight Friday and ending midnight the following Sunday be considered to have worked a full 40-hour basic work week.

(3) Improves the VA Health Professional Scholarship Program by providing registered nurses currently employed by the VA on a full-time basis who are desirous of pursuing part-time training for a baccalaureate or advanced degree eligibility for financial assistance from the VA while pursuing such part-time training. Licensed practical or vocational nurses or other health-care personnel who are currently employed by the VA, and who desire to become registered nurses, may also participate in the program. Full-time VA personnel pursuing part-time training will not, however, be eligible for the monthly stipend paid to those individuals pursuing training on a full-time basis. Additionally, the Administrator is provided authority to prescribe the conditions under which part-time students would be obligated to serve the Veterans' Administration based upon VA support while pursuing such training.

(4) Extends for one fiscal year, or until September 30, 1983, the Administrator's authority to waive restrictions placed on the provision of hospital care and medical services to eligible veterans who are residents of the Commonwealth of Puerto Rico and the Virgin Islands. The loss of this authority would place an undue hardship on the VA to provide medical services in Puerto Rico and the Virgin Islands by limiting the service to the annually determined incidence of such care in the 48 contiguous States. The VA Medical Center in Puerto Rico cannot meet the demand for care in the area.

(5) Restores Civilian Health and Medical Program VA (CHAMPVA) eligibility for the spouse and child of certain severely service-connected disabled veterans, survivors of veterans who died of a total and permanent service-connected disability, or survivors of members of the Armed Forces who died while on active duty in the military service if an individual, after losing CHAMPVA eligibility by virtue of becoming eligible for hospital insurance benefits under Part A of Medicare, exhausts some or all such Medicare eligibility.

(6) Extends the reporting period and reporting date for the Administrator's report on the pilot program on alcohol and drug dependency and abuse required by Section 620 A(f) by one additional year or until September 30, 1983, and March 31, 1984, respectively.

(7) Extends the authorization of appropriations for the Administrator of Veterans' Affairs to make grants to the States for the construction, modernization or alteration of State veterans' hospital, nursing home and domiciliary facilities for an additional 4-year period, or through fiscal year 1986.

(8) Requires the Administrator of Veterans' Affairs to submit to the Congress a report on Veterans' Administration use of flexible and compressed work schedules not later than July 1, 1985.

(9) Includes State Veterans' Homes in the VA Exchange of Medical Information program.

Public Law 97-306 (H.R. 6782, Amended)

VETERANS' COMPENSATION, EDUCATION AND EMPLOYMENT AMENDMENTS OF 1982

Mr. Applegate (for himself, Mr. Wylie, Mr. Montgomery, Mr. Hammerschmidt, Mr. Leath of Texas, Mr. Murphy, Mr. Smith of Alabama, Mr. Smith of Oregon, Mr. Napier, Mr. Siljander, Mr. Edwards of California, Mrs. Heckler, Mr. Mottl, Mr. Hillis, Mr. Sam B. Hall, Jr., Mr. Sawyer, Mr. Brinkley, Mr. Solomon, Mr. Edgar, Mr. McEwen, Mr. Boner of Tennessee, Mr. Smith of New Jersey, Mr. Shelby, Mr. Daschle, Mr. Stump, Mr. Dowdy, Mr. Won Pat, Mr. Hefner, and Mr. Smith of Pennsylvania)

To amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, to increase the rates of dependency and indemnity compensation for surviving spouses and children of veterans and to modify and improve the educational assistance programs administered by the Veterans' Administration and the veterans' employment programs administered by the Department of Labor; and for other purposes.

July 23, 1982: Reported by Committee on Veterans' Affairs (House Report 97-660).

July 27, 1982: Passed House by a vote of 400-0.

September 24, 1982: Amended by Senate with language of S. 2913 and certain provisions of H.R. 6794 as passed by House on September 20, 1982.

September 28, 1982: House agrees to Senate amendment, with amendments.

September 29, 1982. Senate agrees to House Amendments.

October 14, 1982: Approved by the President.

(1) Increases the rates of compensation for service connected disabilities by 7.4 percent.

(2) Increases by 7.4 percent dependency and indemnity compensation rates for surviving spouses and children of veterans who die of service-connected causes.

(3) Increases by 7.4 percent the aid and attendance allowance payable to eligible veterans and surviving spouses who require the regular aid and attendance of another person in their day-to-day activities.

(4) Increases by 7.4 percent the housebound allowance payable to eligible veterans and surviving spouses.

(5) Increases by 7.4 percent the additional amounts for dependents paid to certain veterans.

(6) Increases by 7.4 percent, or from $305 to $327, the annual clothing allowance for veterans whose service-connected disabilities require the wearing or use of a prosthetic or orthopedic appliance which tends to wear or tear the clothing.

(7) Provides ROTC members with eligibility for Veterans' Administration benefits if injured during summer training.

(8) Provides minor adjustments in the benefit levels for certain blinded veterans with multiple disabilities.

(9) Ensures payment of dependency and indemnity compensation to widows if the veteran was totally disabled for ten years by service-connected disability prior to death, but was not paid for ten years due to Veterans' Administration error.

(10) Prevents escheat of unclaimed Servicemen's Group Life Insurance proceeds to a State, and removes the bar against payment of Servicemen's Group Life Insurance (SGLI) and Veterans' Group Life Insurance (VGLI) proceeds in the event a claim is filed more than 4 years after the insured's death.

(11) Provides a burial flag for certain non-veterans buried in a VA national cemetery.

(12) Provides for payment of a burial allowance for unclaimed bodies of wartime veterans for deaths occurring after September 30, 1982.

(13) Clarifies the intent of Congress that burial benefits are payable if a veteran dies while a patient in a Veterans' Administration contract nursing home.

(14) Removes the requirement that the superintendent of a cemetery under the jurisdiction of the Department of Defense be a disabled veteran.

(15) Authorizes the VA to guarantee loans made for the purpose of refinancing a lien on a manufactured home, or for purchasing a lot for such a home, and changes the term "mobile home" to manufactured home.

(16) Amends procedures for establishing eligibility and extends for 1 additional year, until December 31, 1984, the delimiting date for apprenticeship, on-job training and vocational objective programs and pursuit of a program of secondary education for Vietnam era veterans, effective retroactive to January 1, 1982.

(17) Requires the Administrator, within 30 days after enactment of this legislation, to publish for public review and comment proposed regulations to implement the extension of the delimiting date for Vietnam and disabled veterans, and publish final regulations within 90 days after the enactment date.

(18) Establishes the Veterans' Representatives (Vet Rep) program as a discretionary program.

(19) Repeals the current GI Bill requirement that vocational schools report on the numbers of their graduates who, during a specified 2-year period, have obtained employment in the field for which the school has provided training (the 50% employment requirement).

(20) Provides that schools in which service personnel pursuing high school completion or GED (general equivalency certificate) courses without charge to their entitlement must comply with the 85-15 veteran-dependent enrollment provisions.

(21) Clarifies that the rate at which entitlement to GI Bill educational benefits is charged for programs composed wholly of independent study shall be at the rate at which benefits are paid, but not in excess of the less than half-time rate.

(22) Provides that the prohibition on the payment of a certain amount of the educational assistance allowance to individuals incarcerated for the conviction of a felony does not apply to those residing in halfway houses or participating in work-release programs.

(23) Amends the prohibition on payments of VA educational assistance allowances to incarcerated veterans and eligible persons for any course to the extent that tution and fees for the course are paid under another Federal, State, or local program and for which no tuition and fees are charged to apply only to veterans and eligible dependents incarcerated for the conviction of a felony.

(24) Authorizes the Administrator, under certain conditions, to suspend the enrollment of all eligible veterans and dependents in certain courses where there is a substantial pattern of statutory violations of law on the part of the educational institution.

(25) Authorizes the Administrator to utilize the Post-Vietnam Era Veterans' Educational Assistance program (VEAP) fund for the purposes of receiving funds transferred by the Department of Defense for benefits under a DOD-funded educational assistance pilot program, and to disburse those funds to beneficiaries enrolled in that program.

(26) Provides, for purposes of calculating the amount of a VEAP participant's monthly VEAP benefits, lump-sum contributions will be considered to have been made in monthly military-pay deductions of $100, rather than the previous $75.

(27) Makes the Veterans' Reemployment Rights program administratively and functionally responsible to the Assistant Secretary of Labor for Veterans' Employment.

(28) Provides that full-time Federal clerical support shall be assigned to State Directors for Veterans' Employment.

(29) Requires State Directors and Assistant State Directors of Veterans' Employment to be responsible for promoting, facilitating, and monitoring the participation of veterans in Federal and federally-funded employment and training programs to ensure that priorities and other special consideration required by law or regulations be given to eligible veterans, disabled veterans and veterans of the Vietnam era.

(30) Expands the responsibilities of State Directors and Assistant State Directors for Veterans' Employment to include supervising the listing of jobs and subsequent referrals of qualified veterans to ensure that complaints of discrimination are resolved in a timely fashion, and to identify service-connected disabled veterans enrolled in or who have completed VA vocational rehabilitation programs and assist, upon the request of a Federal or State agency or private employer, the agency or employer in identifying and acquiring prosthetic and sensory aids and devices to enhance the employability of disabled veterans.

(31) Expands the responsibilities of State Directors and Assistant State Directors for Veterans' Employment to include cooperating with the staff of the Veterans' Readjustment Counseling programs

in order to identify and assist veterans who have readjustment problems and need employment or training assistance.

(32) Specifies that the distribution and use of Disabled Veterans' Outreach Program (DVOP) funds are subject to the continuing supervision and monitoring of the Assistant Secretary of Labor for Veterans' Employment, and that such funds are not governed by provisions of any law or regulation that is inconsistent with the DVOP authority. Further clarifies that funds for DVOP are made available for use in each State, rather than simply made available to each State, and that the Department of Labor budget submission shall include funds for DVOP as a line item.

(33) Authorizes the Secretary of Labor, after consultation with the appropriate State Director for Veterans' Employment and the Administrator of Veterans' Affairs, to waive the requirement that at least 25 percent of the DVOP staff be stationed in locations other than employment service offices. Such waivers are permitted only as long as the percentage of specialists outstationed nationwide is at least 20 percent.

(34) Requires the Secretary of Labor, through the Assistant Secretary of Labor for Veterans' Employment, to administer all national programs for the provision of employment and training services designed to meet the needs of disabled and Vietnam era veterans. Public Law 97-306 also requires the Secretary of Labor to submit an annual report, no later than February 1 of each year, to the Committees on Veterans' Affairs and Appropriations on the operation of national programs to meet the needs of disabled and Vietnam era veterans.[1]

(35) Establishes an advisory Secretary of Labor's Committee on Veterans' Employment, comprised of representatives of government departments and agencies and representatives of the national veterans' service organizations.

(36) Requires Federal contractors to report annually on veteran hiring activity to the Secretary of Labor.

(37) Repeals the Exemplary Rehabilitation Certificate program.

(38) Reduces from current 2 years to 180 days the period of time within which an individual may request a waiver of the repayment of a debt owed the Veterans' Administration for notifications of indebtedness made by the Administrator after March 31, 1983.

(39) Provides that a 2-year minimum service requirement is necessary, not only for programs administered by the Veterans' Administration, but for all Federal veterans' rights and benefits.

(40) Precludes contracting out within the VA's Department of Medicine and Surgery for those services determined by the Chief Medical Director to be direct patient care or incident to direct patient care. The Administrator is authorized to enter into contracts for services not determined to be direct patient care or incident to direct patient care after considering the advice of the Chief Medical Director and the results of a cost comparison study. The cost comparison study must indicate that it would be at least 15 percent

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[1] Public Law 97-300, the Job Training Partnership Act, authorizes veterans' employment programs through grants or contracts to meet employment and training needs of certain veterans to be administered by the Assistant Secretary of Labor for Veterans' Employment, who will be responsible for the awarding of the grants and distribution of the funds in coordination with the Veterans' Administration on related programs.

less expensive to contract for the service than to have it performed by Federal employees, and the Administrator must determine that health care services delivered at the facility will be maintained or enhanced by converting to contract performance of the service. The cost comparison study must be based on actual VA cost factors such as salaries, retirement and other fringe benefits for VA employees. Notification of the Administrator's intention to conduct a cost comparison study and of a decision to contract for a service must be provided to the Committees on Veterans' Affairs prior to implementing either the study or contract.

COMPENSATION AND DIC RATES EFFECTIVE OCT. 1, 1982

	Increase (monthly rate)	
	From—	To—
Percentage of disability or subsection under which payment is authorized:		
(a) 10 percent	$58	$62
(b) 20 percent	107	114
(c) 30 percent	162	173
(d) 40 percent	232	249
(e) 50 percent	328	352
(f) 60 percent	413	443
(g) 70 percent	521	559
(h) 80 percent	604	648
(i) 90 percent	679	729
(j) 100 percent	1,130	1,213
Higher statutory awards for certain multiple disabilities:		
(k)(1) Additional monthly payment for anatomical loss, or loss of use of, any of these organs: one foot, one hand, blindness in one eye (having light perception only), one or more creative organs, both buttocks, organic aphonia (with constant inability to communicate by speech), deafness of both ears (having absence of air and bone conduction)—for each loss	62	62
(2) Limit for veterans receiving payments under (a) to (j) above	1,403	1,506
(3) Limit for veterans receiving benefits under (l) to (n) below	1,966	2,111
(l) Anatomical loss or loss of use of both feet, one foot and one hand, blindness in both eyes (5/200 visual acuity or less), permanently bedridden or so helpless as to require aid and attendance	1,403	1,506
(m) Anatomical loss or loss of use of both hands, or of both legs, at a level preventing natural knee action with prosthesis in place or of 1 arm and 1 leg at a level preventing natural knee or elbow action with prosthesis in place or blind in both eyes, either with light perception only or rendering veteran so helpless as to require regular aid and attendance	1,547	1,661
(n) Anatomical loss of both eyes or blindness with no light perception or loss of use of both arms at a level preventing natural elbow action with prosthesis in place or anatomical loss of both legs so near hip as to prevent use of prosthesis, or anatomical loss of 1 arm and 1 leg so near shoulder and hip as to prevent use of prosthesis	1,758	1,888
(o) Disability under conditions entitling veterans to two or more of the rates provided in (l) through (n), no condition being considered twice in the determination, or deafness rates at 60 percent or more (impairment of either or both ears service-connected) in combination with total blindness (5/200 visual acuity or less) or anatomical loss of both arms so near the shoulder as to prevent use of prosthesis	1,966	2,111
(p)(1) If disabilities exceed requirements of any rates prescribed, Administrator of VA may allow next higher rate or an intermediate rate, but in no case may compensation exceed	1,966	2,111
(2) Blindness in both eyes (with 5/200 visual acuity or less) together with (a) bilateral deafness rates at 40 percent or more disabling (impairment of either or both ears service-connected) next higher rate is payable, or (b) service-connected total deafness of one ear or service-connected loss or loss of use of an extremity the next intermediate rate is payable, but in no event may compensation exceed	1,966	2,111
(3) Anatomical loss or loss of use of three extremities, the next higher rate in paragraphs (l) to (n) but in no event in excess of	1,966	2,111

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COMPENSATION AND DIC RATES EFFECTIVE OCT. 1, 1982—Continued

	Increase (monthly rate)	
	From—	To—
(q) [This subsection repealed by Public Law 90–493.]		
(r)(1) If veteran entitled to compensation under (o) or to the maximum rate under (p); or at the rate between subsections (n) and (o) and under subsection (k), and is in need of regular aid and attendance, he shall receive a special allowance of the amount indicated at right for aid and attendance in addition to such rates	844	906
(2) If the veteran, in addition to need for regular aid and attendance, is in need of a higher level of care, a special allowance of the amount indicated at right is payable in addition to (o) or (p) rate	1,257	1,350
(s) Disability rated as total, plus additional disability independently ratable at 60 percent or over, or permanently housebound	1,264	1,357
(t) Additional monthly allowance for a veteran in receipt of compensation for a disability not evaluated more than 90 percent disabling who has suffered a service-connected loss or loss of use of an extremity evaluated not less than 40 percent and has suffered a non-service connected loss or loss of use of the paired extremity evaluated at not less than 40 percent	244	262

In addition to basic compensation rates and/or statutory awards to which the veteran may be entitled, dependency allowances are payable to veterans who are rated at not less than 30 percent disabled. The rates which follow are those payable to veterans while rated totally disabled. If the veteran is rated 30, 40, 50, 60, 70, 80, or 90 percent disabled, dependency allowances are payable in an amount bearing the same ratio to the amount specified below as the degree of disability bears to total disability. For example, a veteran who is 50 percent disabled receives 50 percent of the amounts which appear below.

	Increase (monthly rate)	
	From—	To—
If and while veteran is rated totally disabled and—		
Has a spouse	$69	$74
Has a spouse and child	116	124
Has no spouse, 1 child	47	50
For each additional child	38	40
For each dependent parent	56	60
For each child age 18 to 22 attending school	105	112
Has a spouse in nursing home or severely disabled	125	134

The following increases are provided for surviving spouses of deceased veterans whose deaths are service-connected and who are receiving dependency and indemnity compensation (DIC) payments:

Pay grade	From—	To—	Pay grade	From—	To—
E-1	$415	$445	W-4	$595	$639
E-2	428	459	0-1	525	563
E-3	438	470	0-2	542	582
E-4	466	500	0-3	580	622
E-5	479	514	0-4	613	658
E-6	490	526	0-5	676	726
E-7	514	552	0-6	761	817
E-8	542	582	0-7	824	884

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Pay grade	From—	To—	Pay grade	From—	To—
E-9	[1] 567	[1] 608	0-8	903	969
W-1	525	563	0-9	970	1,041
W-2	546	586	0-10	[2] 1,061	[2] 1,139
W-3	562	603			

[1] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps or master chief petty officer of the Coast Guard, the surviving spouse's rate is increased from $610 to $655.

[2] If the veteran served as Chairman of the Joint Chiefs of Staff; Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, the rate for the surviving spouse is increased from $1,138 to $1,222.

Increases by 7.4 percent, from $48 to $51 monthly, the additional DIC rate payable to surviving spouses for each child of the veteran under age 18.

Increases by 7.4 percent, from $125 to $134 monthly, the spouses' aid and attendance rate.

Increases by 7.4 percent, from $62 to $66 monthly, the spouses' housebound rate.

When there is no surviving spouse receiving dependency and indemnity compensation, payment is made in equal shares to the children of the deceased veteran. These rates are increased as follows:

	Increase (monthly rate)	
	From—	To—
1 child	$210	$225
2 children	301	323
3 children	389	417
Each additional child	79	84

Increases by 7.4 percent, from $125 to $134 monthly, the additional rate payable to a child who has attained the age of 18 but who became permanently incapable of self-support while under such age.

Increases by 7.4 percent, from $210 to $225 monthly, the rate payable concurrently with the payment of DIC to a widow with a child who has attained the age of 18 but who became permanently incapable of self-support while under such age.

Increases by 7.4 percent, from $107 to $114 monthly, the rate payable to a child who has attained the age of 18 but is no more than 22 and pursuing a course of instruction at an approved educational institution concurrently with the payment of DIC to a surviving spouse.

BILLS APPROVED BY THE HOUSE, NOT ACTED UPON BY THE SENATE

H. Con. Res. 76—Feb. 25, 1981. Mr. Boner of Tennessee (sponsors added 4/1/81) Mr. Donnelly, Mr. Dingell, Mr. Beilenson, Mr. Lagomarsino, Mr. Johnston, Mr. Russo, Mr. Duncan, Mr. Barnes, Mr. Weiss, Mr. LaFalce, Mr. Whitehurst, Mr. Brown of Ohio, Mr. Winn, Mr. Rahall, Mr. Roe, Mr. Annunzio, Mr. Smith of New Jersey, Mr. Young of Alaska, Mrs. Fenwick, Mr. Neal, Mr. Lungren, Mr. Conte, Mr. Stratton, Mr. Lantos, Mr. Gore, Mrs. Holt, Mr. Ginn, Mr. Solomon, Mr. Badham, Mr. Guyer, Mr. Addabbo, Mr. Wilson, Mr. Fren-

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zel, Mr. Corrada, Mr. Forsythe, Mr. Madigan, Mr. Oberstar, Mr. Gramm, Mr. Biaggi, Mr. Vento, Mr. Daniel B. Crane, Mr. Lowery of California, Mr. Sunia, Mr. Wirth, Mr. Tauke, Mr. Fazio, and Mr. McDade, (sponsors added 5/6/81) Mr. Butler, Mr. Zeferetti, Mr. Mazzoli, Mr. Livingston, Mr. Evans of Georgia, Mr. Anthony, Mr. Stokes, Mr. Gingrich, Mr. Robert W. Daniel, Mr. Mottl, Mr. Zablocki, Mr. Jones of Tennessee, and Mr. Daub, (sponsor added 5/7/81) Mr. Dunn, Mr. Edgar, and Mr. Sam B. Hall, Jr.

Expressing the sense of the Congress that the Secretary of the Army should place a plaque in Arlington National Cemetery honoring members of the United States armed forces who died during an attempt to rescue American hostages held in Iran.

April 7, 1981: Hearings Subcommittee on Housing and Memorial Affairs.

May 19, 1981: Reported to House, H. Rept. 97-73.

June 2, 1981: Passed House under suspension of the rules, vote 391-0.

June 3, 1981: Referred to Senate Committee on Veterans Affairs.

May 13, 1982: Similar provisions in unprinted amendment No. 959 to S. 2248, Department of Defense Authorizations, passed in Senate.

May 14, 1982: S. 2248 (amended) passed in Senate.

H.R. 1714—Feb. 5, 1981. Mr. Heftel of Hawaii (for himself), Mr. Downey, Mr. Benjamin, Mr. Jones of North Carolina, Mr. Murphy, Mr. Won Pat, Mr. Stump, Mr. McCloskey, Mr. Panetta, (withdrawn 3/4/81) Mr. Duncan of Tennessee, Mr. Ginn, Mr. Ertel, Mr. Hinson, Mr. Levitas, Mr. Young of Alaska, Mr. Lott, Mr. Corrada, Mr. Miller of California, Mr. Winn, Mr. Dannemeyer (withdrawn 2/26/81) Mr. Guarini, Mr. Roe, Mr. Coelho, Mr. Yatron, Mr. Pepper, Mr. Bailey of Pennsylvania, Mr. Dougherty, Mr. Bedell, Mr. Wilson, Mr. Livingston, Mr. Shumway, Mr. Jones of Oklahoma, and Mr. Goodling, (sponsors added 3/17/81) Mr. Addabbo, Mr. Mottl, Mr. Young of Missouri, Mr. Oberstar, Mr. Forsythe, Mr. Kogovsek, Ms. Mikulski, Mr. Pashayan, Mr. Horton, Mr. Barnard, Mr. Marks, Mr. Fish, Mr. Skelton, Mr. Ottinger, Mr. Lowry of Washington, Mr. Long of Maryland, and Mr. Stokes, (sponsors added 4/2/81) Mr. Porter, Mr. Hiler, Mr. Clay, Mrs. Chisholm, Mr. Foglietta, Mr. Marriott, Mr. Sunia, Mr. Mitchell of Maryland, Mr. Whitehurst, Mr. Frost, Mr. Hansen of Idaho, Mr. Solomon, Mr. de la Garza, and Mr. Frenzel, (sponsors added 5/19/81) Mr. Edgar, and Mr. Sam B. Hall, Jr.

To amend title 38, United States Code, to authorize the Veteran's Administration to furnish memorial headstones or markers to commemorate veterans who by choice are buried at sea, who donate their bodies to science, or who are cremated and have their ashes scattered without interment.

April 7, 1981: Hearings Subcommittee on Housing and Memorial Affairs.

May 19, 1981: Reported to House, H. Rept. 97-76.

June 2, 1981: Passed House under suspension of the rules.

June 3, 1981: Referred to Senate Committee on Veterans Affairs.

October 17, 1981: Similar provisions in Section 603, Public Law 97-66.

H.R. 2039—Feb. 24, 1981. Mr. Leath of Texas (for himself), Mr. Guyer, and Mr. Brinkley, (sponsor added 3/4/81) Mr. Spence, (sponsor added 4/10/81) Mr. Dunn, (sponsor added 4/29/81) Mr. Boner of Tennessee, (sponsor added 5/6/81) Mr. Sawyer, (sponsors added 5/12/81) Mr. Mottl, and Mr. Smith of New Jersey, (sponsors added 5/18/81) Mr. Sam B. Hall, Jr., and Mr. Edgar.

To amend chapter 37 of title 38, United States Code, to authorize the Administrator of Veterans' Affairs to guarantee home loans with provisions for variable payment plans.

April 9, 1981: Hearings Subcommittee on Housing and Memorial Affairs.

May 19, 1981: Reported to House, H. Rept. 97–75.

June 2, 1981: Passed House under suspension of the rules, vote 397–0.

June 3, 1981: Referred to Senate Committee on Veterans Affairs.

October 17, 1981: Similar provisions in Section 501, Public Law 97–66.

H.R. 2136—Feb. 25, 1981. Mr. Leath of Texas (for himself), Mr. Guyer, Mr. Montgomery, Mr. Hammerschmidt, Mr. Danielson, and Mr. Hefner, (sponsors added 5/12/81) Mr. Boner of Tennessee, Mr. Mottl, Mr. Dunn, and Mr. Smith of New Jersey, (sponsors added 5/18/81) Mr. Sam B. Hall, Jr., and Mr. Edgar.

To amend title 38, United States Code, to revise the provisions of such title relating to the construction and alteration of, and acquisition of land for, national cemeteries.

April 7, 1981: Hearings Subcommittee on Housing and Memorial Affairs.

May 19, 1981: Reported to House, H. Rept. 97–75.

June 2, 1981: Passed House under suspension of the rules, vote 383–8.

June 3, 1981: Referred to Senate Committee on Veterans Affairs.

H.R. 3423—Apr. 6, 1981. Mr. Edgar (for himself), Mr. Montgomery, Mr. Hammerschmidt, and Mr. Daschle, (sponsors added 5/18/81) Mr. Bonior of Michigan, Mr. Coelho, Mr. Sam B. Hall, Jr., Mr. Edwards of California, Mr. Danielson, Mr. Mottl, Mr. Applegate, Mr. Leath of Texas, Mr. Boner of Tennessee, Mr. Shelby, Mr. Mica, Mr. Gramm, Mr. Dorgan of North Dakota, Mr. Won Pat, Mrs. Heckler, Mr. Wylie, Mr. Hillis, Mr. Sawyer, Mr. Solomon, Mr. Jeffries, Mr. McEwen, Mr. Dunn, Mr. Smith of New Jersey, Mr. Smith of Alabama, and Mr. Siljander.

To amend title 38, United States Code, to provide vocational education and training opportunities for certain Vietnam-era veterans, to establish a small business loan program for Vietnam-era veterans and disabled veterans and for other purposes.

"Veterans' Training and Business Loan Act of 1981"

May 19, 1981: Reported to House, H. Rept. 97–78.

June 2, 1981: Passed House under suspension of the rules, vote 352–41.

June 3, 1981: Referred to Senate Committee on Veterans Affairs.

November 3, 1981: Similar provisions in Section 302, Public Law 97–72.

H.R. 3502—May 7, 1981. Mr. Mottl (for himself) Mr. Montgomery, Mr. Hammerschmidt, Mr. Edwards of California, Mrs. Heckler, Mr. Danielson, Mr. Wylie, Mr. Brinkley, Mr. Hillis, Mr. Edgar, Mr. Sawyer, Mr. Applegate, Mr. Solomon, Mr. Leath of Texas, Mr. McEwen, Mr. Boner of Tennessee, Mr. Dunn, Mr. Mica, Mr. Smith of New Jersey, Mr. Daschle, Mr. Smith of Alabama, Mr. Gramm, Mr. Murphy, Mr. Dorgan of North Dakota, Mr. Won Pat, and Mr. Hefner, (sponsor added 5/18/81) Mr. Sam B. Hall, Jr., (sponsor added 7/30/81) Mr. Howard.

To amend title 38, United States Code, to provide for greater coordination and sharing of the medical facilities of the Veterans' Administration and the Department of Defense. Jointly referred to the Committees on Armed Services and Veterans' Affairs.

"Veterans' Administration and Department of Defense Medical Sharing Act"

May 19, 1981: reported to House, H. Rept. 97-72, (Part 1)

June 15, 1981: S. 266 reported in Senate by Governmental Affairs Committee, S. Rept. 97-137.

September 29, 1981: S. 266 reported in Senate by Veterans Affairs Committee, S. Rept. 97-196.

October 27, 1981: S. 266 passed Senate.

October 27, 1981: H.R. 3502 reported by Armed Services Committee, H. Rept. 97-72 (Part II)

November 4, 1981: H.R. 3502 passed House under suspension of the rules, vote 386 to 0. Subsequently the passage was vacated and S. 266 was passed in lieu after being amended to contain the language of H.R. 3502.

April 1, 1982: Senate concurred in House amendments with amendment (unprinted amendment No. 871) in the nature of a substitute.

April 20, 1982: House agreed to the Senate amendments to the House amendments to S. 266.

May 4, 1982: S. 266 signed by the President, Public Law 97-174.

H.R. 3995—June 23, 1981. Mr. Sam B. Hall (for himself), Mr. Wylie, Mr. Montgomery, Mr. Hammerschmidt, Mr. Danielson, Mr. Brinkley, Mr. Applegate, Mr. Murphy, Mr. Smith of Alabama, Mr. Smith of Oregon, Mr. Siljander, Mr. Edwards of California, Mr. Mottl, Mr. Edgar, Mr. Leath of Texas, Mr. Boner of Tennessee, Mr. Shelby, Mr. Mica, Mr. Daschle, Mr. Gramm, Mr. Dorgan of North Dakota, Mr. Won Pat, Mrs. Heckler, Mr. Hillis, Mr. Sawyer, Mr. McEwen, Mr. Dunn, Mr. Smith of New Jersey, and Mr. Hefner, (sponsors added 6/25/81) Mr. Stump, Mr. Jeffries, and Mr. Coelho, (sponsor added 7/14/81) Mr. Napier.

To amend title 38, United States Code, to provide a cost-of-living increase in the rates of disability compensation for disabled veterans and in the rates of dependency and indemnity compensation for survivors of disabled veterans, and for other purposes.

"Veterans' Compensation Amendments of 1981"

July 16, 1981: Reported to House H. Rept. 97-179.

July 16, 1981: S. 917 reported in the Senate, S. Rept. 97-153.

July 24, 1981: S. 917 passed in the Senate.

September 21, 1981: Passed House under suspension of the rules. Subsequently passage vacated and S. 917 was amended after the enacting clause to contain the language of the House bill.

October 1, 1981: Senate concurred in the House amendments with unprinted amendment No. 462, in the nature of a substitute.

October 2, 1981: House agreed to Senate amendments to House amendments to S. 917.

October 17, 1981: S. 917 signed by the President, Public Law 97-66.

H.R. 4326—July 29, 1981. Mr. LaFalce (sponsors added 11/19/81), Mr. Mitchell of Maryland, Mr. Smith of Iowa, Mr. Addabbo, Mr. Gonzalez, Mr. Bedell, Mr. Richmond, Mr. Nowak, Mr. Luken, Mr. Ireland, Mr. Skelton, Mr. Evans of Georgia, Mr. Stenholm, Mr. Mazzoli, Mr. Mavroules, Mr. Crockett, Mr. Hatcher, Mr. Wyden, Mr. Eckart, Mr. Dorgan of North Dakota, Mr. Savage, Mr. Roemer, Mr. Fary, Mr. McDade, Mr. Conte, Mr. Stanton of Ohio, Mr. Broomfield, Mr. Marriott, Mr. Williams of Ohio, Mr. Snowe, Mr. Daniel B Crane, Mr. Hiler, Mr. Staton of West Virginia, Mr. Weber of Minnesota, Mr. Daub, Mr. Smith of New Jersey, Mr. Weber of Ohio, Mr. Dreier, Mr. Molinari, Mr. Siljander, Mr. Akaka, Mr. Atkinson, Mr. Barnard, Mr. Barnes, Mr. Bevill, Mr. Bonker, Mr. Bowen, Mr. Brown of Ohio, Mr. Clay, Mr. Clinger, Mr. Coelho, Mr. Corrada, Mr. D'Amours, Mr. Daschle, Mr. Dixon of Calif., Mr. Dunn, Mr. Dwyer, Mr. Edgar, Mr. Fauntroy, Ms. Ferraro, Mr. Fish, Mr. Foglietta, Mr. Ford of Tennessee, Mr. Frank, Mr. Gejdenson, Mr. Gingrich, Mr. Green, Mr. Hansen of Utah, Mr. Horton, Mr. Hoyer, Mr. Hughes, Mr. Glickman, Mr. Kildee, Mr. Kogovsek, Mr. Burgener, Mr. Bereuter, Mr. Marlenee, Mr. Lowery of California, Mr. Lundine, Mr. McHugh, Mr. McKinney, Mr. Madigan, Mr. Markey, Mr. Marks, Mr. Martin of New York, Mrs. Martin of Illinois, Mr. Mica, Ms. Mikulski, Mr. Montgomery, Mr. Murphy, Mr. Neal, Mr. Nelligan, Mr. Patterson, Mr. Porter, Mr. Pritchard, Mr. Rahall, Mr. Railsback, Mr. Rodino, Mr. Roe, Mr. Roth of Wisconsin, Mr. Seiberling, Mr. Solomon, Mr. Stangeland, Mr. Sunia, Mr. Vento, Mr. Weaver, Mr. Wilson, Mr. Wirth, Mr. Wolpe, Mr. Won Pat, Mr. Wortley, Mrs. Collins of Illinois, and Mr. Fazio, (sponsors added 11/20/81) Mr. Mitchell of New York, Mr. Dyson, Mr. Stokes, Mr. Myers of Indiana, Mr. Coats, Mr. Forsythe, Mrs. Bouquard, Mr. Conyers, Mr. Hagedorn, Mr. McEwen, Mr. Ottinger, and Mr. Gregg, (sponsors added 12/9/81) Mr. Williams of Montana, Mr. Roberts of South Dakota, Mrs. Schneider, Mr. Simon, Mr. Boner of Tennessee, Mr. Winn, Mr. Benjamin, Mr. Biaggi, Mr. Bailey of Pennsylvania, Mr. Andrews, and Mr. Brodhead, (sponsors added 12/10/81) Mr. Stark, Mr. James K. Coyne, Mr. Brinkley, Mr. Ritter, Mr. Anthony, Mr. Dicks, Mr. Dymally, and Mr. Ginn, (sponsors added 12/14/81) Mr. Clausen, Mr. Smith of Oregon, Mr. Broyhill, Mr. Erdahl, Mr. Downey, and Mr. Moorhead, (sponsors added 12/15/81) Mr. Corcoran, and Mr. Fascell, (sponsors added 12/16/81) Mr. Guarini, Mr. De La Garza, Mr. Gaydos, Mr. Albosta, and Mr. Fields, (sponsors added 1/28/82) Mr. Hall of Ohio, Mr. Dornan of California, Mr. Lagomarsino, Mr. DeNardis, Mr. Ratchford, Mr. Lehman, Mr. Hyde, Mr. Emery, Mr. Jones of Oklahoma, Mr. Quillen, and Mr. Jeffords, (sponsors added 2/8/82) Mr. Frenzel, Mr. Lantos, Mr. Leach of Iowa, Mr. Lewis, Mr. Oberstar, Mr. Murtha, Mr. Lee, Mrs. Chisholm, Mr. Ralph M. Hall, and Mr. Watkins, (sponsor added 2/10/82) Mr. Rangel, (sponsors added 2/24/82) Mr. Schumer, Mr. Jenkins, Mr. Smith of Pennsylvania, Mr. Whittaker, and Mr. Pepper, (sponsors added 3/3/82) Mr. Jeffries, and Mr. Vander Jagt, (sponsors added 3/19/82) Mr. Chappell, Mr. Wolf, Mr. Oxley, and Mr. Findley.

To amend the Small Business Act to strengthen the role of the small, innovative firms in federally funded research and development, and to utilize Federal research and development as a base for technological innovation to meet agency needs and to contribute to the growth and strength of the Nation's economy.

"Small Business Innovation Development Act of 1981"

July 29, 1981: Referred to House Committee on Small Business.

November 20, 1981: Reported to House amended by House Committee on Small Business. Report No. 97-349 (Part I).

November 20, 1981: Referred to House Committee on Armed Services sequentially, for a period ending not later than Mar. 1, 1982.

November 20, 1981: Referred to House Committee on Energy and Commerce sequentially, for a period ending not later than Mar. 1, 1982.

November 20, 1981: Referred to House Committee on Science and Technology sequentially, for a period ending not later than Mar. 1, 1982.

December 8, 1981: Referred to House Committee on Veterans' Affairs sequentially, for a period ending not later than Mar. 1, 1982.

January 27, 1982: Hearings Subcommittee on Hospitals and Health Care of the Committee on Veterans Affairs, followed by markup. Referred to Full Committee with amendment.

March 1, 1982: Referral to the Committees on Armed Services, Energy and Commerce, Science and Technology, and Veterans' Affairs extended for an additional period ending not later than March 2, 1981.

March 2, 1982: Referal to the Committees on Armed Services, Energy and Commerce, Science and Technology, and Veterans' Affairs extended for an additional period ending not later than March 16, 1982.

March 2, 1982: Sequentially referred to the Committee on Foregin Affairs and to the permanent Select Committee on Intelligence for a period ending not later than March 16, 1981.

March 10, 1982: Markup. Full Committee, Veterans' Affairs Committee. Ordered reported with amendments.

March 10, 1982: Reported by the Committee on Energy and Commerce, H. Rept. 97-349, Pt. II.

March 16, 1982: Reported by the Committee on Veterans' Affairs, H. Rept. 97-349, Pt. III.

March 16, 1982: Reported by the Committee on Science and Technology, H. Rept. 97-349, Pt. IV.

March 16, 1982: Reported by the Committee on Foreign Affairs, H. Rept. 97-349, Pt. V.

March 16, 1982: Reported by the Committee on Armed Services, H. Rept. 97-349, Pt. VI.

March 16, 1982: Reported by the Permanent Select Committee on Intelligence, H. Rept. 97-349, Pt. VII.

June 23, 1982: Passed House amended by a vote of 353-57. Subsequently passage was vacated and S. 881 was passed in lieu amended with the provisions of H.R. 4326.

June 29, 1982: Senate agreed to House amendment to S. 881.

July 22, 1982: Signed by the President, Public Law 97-219.

H.R. 6788—July 19, 1982. Mr. Montgomery (for himself), Mr. Hammerschmidt, Mr. Edgar, Mrs. Heckler, and Mr. Daschle, (sponsors added 7/29/82) Mr. Mica, Mr. Hillis, Mr. McEwen, Mr. Dunn, Mr. Smith of New Jersey, Mr. Napier, Mr. Nelligan, Mr. Gramm, Mr. Edwards of California, Mr. Mottl, Mr. Leath of Texas, Mr. Murphy, Mr. Won Pat, Mr. Brinkley, Mr. Sam B. Hall, Jr., Mr. Wylie, Mr. Sawyer, Mr. Solomon, Mr. Jeffries, Mr. Smith of Alabama, Mr. Smith of Oregon, Mr. Siljander, Mr. Shelby, Mr. Hefner, Mr. Jenkins, and Mr. Boner of Tennessee.

To amend title 38, United States Code, to clarify the period for which an employer is required to grant an employee who is a member of the National Guard or Reserve a leave of absence in order to allow the employee to perform required active duty for training.

August 19, 1982: Reported in House, H. Rept. 97-782.

September 14, 1982: Passed House under suspension of the rules.

H.R. 6794—July 20, 1982. Mr. Edgar (for himself), Mrs. Heckler, Mr. Montgomery, Mr. Hammerschmidt, Mr. Edwards of California, Mr. Wylie, Mr. Boner of Tennessee, Mr. Jeffries, Mr. Daschle, Mr. Smith of Oregon, Mr. Dowdy, Mr. Brinkley, Mr. Mottl, Mr. Mica, Mr. Murphy, Mr. Won Pat, Mr. Nelligan, Mr. Siljander, and Mr. Smith of Alabama, (sponsor added 7/21/82) Mr. Bailey of Pennsylvania, (sponsors added 7/28/82) Mr. Hillis, Mr. McEwen, Mr. Dunn, Mr. Smith of New Jersey, Mr. Napier, Mr. Gramm, Mr. Leath of Texas, Mr. Sam B. Hall, Jr., Mr. Sawyer, Mr. Shelby, Mr. Hefner, and Mr. Jenkins, (sponsor added 7/29/82) Mr. Weaver, (sponsor added 8/18/82) Mrs. Snowe, (sponsor added 9/9/82) Mr. Corrada.

To amend title 38, United States Code, to improve job training and job placement programs and educational assistance programs for veterans.

"Veterans' Employment and Education Assistance Act of 1982"

September 9, 1982: Reported to House, H. Rept. 97-799.

September 20, 1982: Passed House as amended under suspension of the rules.

September 17, 1982: S. 2913 reported in Senate, S. Rept. 97-550.

September 24, 1982: Provisions, with amendments, contained in part in Senate amendments to H.R. 6782.

BILLS APPROVED BY THE SENATE, BUT NOT ACTED UPON BY THE HOUSE

S. 349—Jan. 30, 1981. Mr. Hart (for himself), Mr. Cranston, Mr. DeConcini, Mr. Burdick, Mr. Mitchell of Maine, Mr. Riegle, Mr. Stafford, Mr. Kasten, Mr. Denton, Mr. Murkowski, Mr. Specter, Mr. Randolph, Mr. Matsunaga, Mr. Simpson, and Mr. Cohen.

To amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes.

September 14, 1982: Passed Senate amended.

September 16, 1982: Referred to House Committee on Veterans Affairs.

MESSAGES FROM THE PRESIDENT AND EXECUTIVE COMMUNICATIONS

65—January 5, 1981, a December 19, 1980, letter from the Administrator of Veterans Affairs, transmitting the annual report for fiscal year 1980 on the exchange of medical information program, pursuant to 38 U.S.C. 5057. (Committee Print No. 3)

106—January 6, 1981, a January 2, 1981, letter from the Administrator of Veterans' Affairs, transmitting a report covering fiscal year 1980 on the nature and disposition of all cases in which an institution, approved for veterans benefits, utilizes advertising, sales or enrollment practices which are erroneous, deceptive, or misleading, pursuant to 38 U.S.C.

255—January 16, 1981, a January 9, 1981, letter from the Administrator of Veterans' Affairs, transmitting the annual report for fiscal year 1980 on the agency's program for the sharing of medical facilities, pursuant to 38 U.S.C. 5057. (Committee Print No. 3)

290—January 19, 1981, a January 19, 1981, letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to terminate the authority for the pursuit of flight training by veterans and for the pursuit of correspondence training by veterans, spouses, and surviving spouses, and for other purposes. (H.R. 1903) (Committee Print No. 34)

291—January 19, 1981, a January 19, 1981, letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to eliminate provision of outpatient dental treatment for service-connected noncompensable dental conditions which are unrelated to service trauma or prisoner-of-war status. (H.R. 2048) (Committee Print No. 33)

614—February 25, 1981, a February 19, 1981, letter from the Deputy Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to authorize the Administrator to make contributions for construction projects on land adjacent to national cemeteries in order to facilitate safe ingress or egress. (H.R. 2410) (Committee Print No. 5)

627—February 26, 1981, a February 19, 1981, letter from the Deputy Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to authorize the Administrator to provide a memorial plaque or marker in appropriate situations to the next of kin of an individual who would otherwise be memorialized in a national, private or local cemetery. (H.R. 2411) (Committee Print No. 6)

773—March 11, 1981, a letter from the Comptroller General of the United States, transmitting a report on the need to improve the planning methodology by the Veterans' Administration to reduce the construction costs of operating rooms (HRD-81-54, Mar.

3, 1981); jointly to the Committees on Government Operations, and Veterans' Affairs.

800—March 13, 1981, a March 10, 1981, letter from the Acting Administrator of Veterans' Affairs, transmitting a report on health care for veterans in Puerto Rico and the Virgin Islands, pursuant to section 8(a) of Public Law 95-520, as amended (94 Stat. 1053). (Committee Print No. 22)

826—March 17, 1981, a March 12, 1981, letter from the Acting Administrator of Veterans' Affairs, transmitting a report covering calendar year 1980 on cases in which equitable relief from administrative error was granted, pursuant to 38 U.S.C. 210(c)(3)(B).

871—March 23, 1981, a March 20, 1981, letter from the Acting Administrator of Veterans Affairs, transmitting a report on the utilization of educational entitlement by veterans of the post-Korean conflict and Vietnam era, pursuant to section 304(b)(1)(A) of Public Law 95-202. (Committee Print No. 19)

872—March 23, 1981, a March 17, 1981, letter from the Acting Administrator of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their surviving spouses and children, and for other purposes. (Committee Print No. 13)

893—March 24, 1981, a March 23, 1981, letter from the Acting Administrator of Veterans Affairs, transmitting a draft of proposed legislation to limit payment of special pay authorized eligible Veterans' Administration physicians and dentists under section 4118, title 38, United States Code, and for other purposes. (H.R. 2846) (Committee Print No. 15)

894—March 24, 1981, a March 23, 1981, letter from the Acting Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to revise and clarify eligibility requirements for reimbursements of expenses of travel for Veterans Administration health care, and for other purposes. (H.R. 2847) (Committee Print No. 16)

961—March 30, 1981, a March 24, 1981, letter from the Acting Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to extend authority to provide contract hospital care and medical services in Puerto Rico and the Virgin Islands, and for other purposes. (H.R. 2999) (Committee Print No. 21)

1198—April 27, 1981, an April 23, 1981, letter from the Acting Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to authorize funds to the Republic of the Philippines to assure the effective care and treatment of patients in the Veterans Memorial Medical Center. (H.R. 3259) (Committee Print No. 36)

1299—May 7, 1981, a May 1, 1981, letter from the Acting Administrator of Veterans' Affairs, transmitting a report on the study of regulations implementing priority medical care to veterans with service-connected disabilities, pursuant to section 103(b) of Public Law 94-581.

1334—May 12, 1981, a May 6, 1981, letter from the Acting Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to provide additional flexibility within the Veterans' Administration's existing medical personnel management system. (H.R. 3561) (Committee Print No. 44)

1358—May 13, 1981, a May 6, 1981, letter from the Acting Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend chapter 19 of title 38, United States Code, to permit the unrestricted assignment of a beneficiary's interest in the proceeds of a Government Life Insurance policy in cases involving contested claims, and to increase the amount an attorney may receive for representing a claimant in such cases; and for other purposes. (Committee Print No. 43)

1449—May 27, 1981, a May 19, 1981, letter from the Acting Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to make adjustments and improvements in the vocational rehabilitation and education programs administered by the Veterans' Administration, and for other purposes. (H.R. 3988) (Committee Print No. 46)

PM 55—June 1, 1981, a May 30, 1981 message from the President. Extension of Veterans' Educational Assistance Program.

1621—June 16, 1981, a June 9, 1981, letter from the Acting Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to extend the authority for the program of grants to States for State home facilities, and for other purposes. (H.R. 4025) (Committee Print No. 48)

1789—July 13, 1981, a July 2, 1981, letter from the Acting Administrator of Veterans' Affairs, transmitting the annual report for fiscal year 1980, pursuant to 38 U.S.C. 214.

1808—July 14, 1981, a July 6, 1981, letter from the Assistant Secretary of the Army (Civil Works), transmitting a draft of proposed legislation to amend the National Cemeteries Act of 1973, to rescind the requirement that the superintendent positions of national cemeteries under the jurisdiction of the Secretary of the Army be limited to disabled veterans, and for other purposes. (Committee Print No. 50) (H.R. 4837)

2202—September 17, 1981, an August 13, 1981, letter from the Acting Comptroller General of the United States, transmitting a report on major income security and social services issues (HRD-81-104, August 13, 1981); jointly, to the Committee on Government Operations, Education and Labor, Energy and Commerce, Veterans' Affairs, and Ways and Means.

2573—November 23, 1981, a November 19, 1981, letter from the Administrator of Veterans' Affairs, transmitting a report covering fiscal year 1981 on the nature and disposition of all cases in which an institution, approved for veterans benefits, utilizes advertising, sales or enrollment practices which are erroneous, deceptive or misleading, pursuant to 38 U.S.C. 1796(d). (Committee Print No. 65)

2648—December 7, 1981, a December 3, 1981, letter from the Administrator of Veterans' Affairs, transmitting a report on the Exchange of Medical Information program for fiscal year 1981, pursuant to 38 U.S.C. 5057.

2681—December 11, 1981, a December 3, 1981, letter from the Comptroller General of the United States, transmitting a report on academic progress requirements of federally funded student financial aid programs (HRD-82-15, December 3, 1981); jointly, to the Committees on Government Operations, Education and Labor, Veterans' Affairs, and Ways and Means.

2860—January 25, 1982, a December 29, 1981, letter from the Administrator of Veterans' Affairs, transmitting the report on the sharing of medical resources program of the Veterans' Administration for fiscal year 1981, pursuant to 38 U.S.C. 5057.

3140—February 22, 1982, a February 17, 1982 letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend chapter 37 of title 38, United States Code, to require the collection of a funding fee on all loans guaranteed, insured, or made to veterans under such chapter. (Committee Print No. 70) (H.R. 5710)

3141—February 22, 1982, a February 19, 1982 letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for surviving spouses and children of veterans; to discontinue duplicative payments to certain veterans; to increase the level of disability inquired for the payment of dependents' allowances; to provide for cost-saving improvements in veterans' programs; and for other purposes. (Committee Print No. 71) (H.R. 5709)

3163—February 23, 1982, a February 22, 1982 letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to make adjustments and improvements in the vocational rehabilitation and education programs administered by the Veterans' Administration, and for other purposes. (Committee Print No. 73) (H.R. 5673)

3359—March 10, 1982, a March 4, 1982 letter from the Administrator, Veterans' Administration, transmitting a report covering calendar year 1981 on cases in which equitable relief from administrative error was granted, pursuant to 38 U.S.C. 210(c)(3)(B).

3423—March 16, 1982, a March 12, 1982 letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to guarantee loans to refinance liens on mobile homes and to purchase home lots. (Committee Print No. 75) (H.R. 5967)

3442—March 17, 1982, a March 17, 1982 letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to extend the authority for the program of grants to States for State home facilities, and for other purposes. (Committee Print No. 76) (H.R. 5955)

3517—March 29, 1982, a March 24, 1982 letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to remove the bar against payment of servicemen's group life insurance and veterans' group life insurance proceeds in the event the claim is filed late and to clarify that such proceeds may not escheat to a State (Committee Print No. 79) (H.R. 6044)

3518—March 29, 1982, a March 24, 1982 letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend chapter 19, of title 38, United States Code, to permit the unrestricted assignment of a beneficiary's interest in the proceeds of a Government life insurance policy in cases involving contested claims. (Committee Print No. 80) (H.R. 6043)

4151—June 14, 1982, a June 11, 1982 letter from the Comptroller General of the United States, transmitting a report of methods that the Veterans' Administration and the Department of Housing and Community Development could use to improve services and reduce costs in insuring home mortgage loans (AFMD-82-15, June 11, 1982); jointly, to the Committees on Government Operations, Banking, Finance and Urban Affairs, and Veterans' Affairs.

4186—June 17, 1982, a June 15, 1982 letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend section 1622 of title 38, United States Code, to permit the Administrator to utilize the post-Vietnam-era veterans education account for the administration of the education assistance program authorized by section 2141 of title 10, United States Code. (Committee Print No. 97)

4329—July 12, 1982, a July 1, 1982 letter from the Administrator of Veterans' Affairs, transmitting the annual report for fiscal year 1981, pursuant to 38 U.S.C. 214.

4534—August 3, 1982, a July 22, 1982 letter from the Comptroller General of the United States, transmitting a report on prisoners receiving social security and other Federal retirement, disability, and education benefits (HRD-82-43, July 22, 1982); jointly, to the Committees on Government Operations, Education and Labor, Veterans' Affairs, and Ways and Means.

4547—August 4, 1982, an August 3, 1982 letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to authorize the Veterans' Administration to administer a community residential care program. (Committee Print No. 101)

4748—September 13, 1982, a September 1, 1982 letter from the Comptroller General of the United States, transmitting a report on moneys that can be saved through better energy management in Federal hospitals (GAO/HRD-82-77, September 1, 1982); jointly, to the Committees on Government Operations, Armed Services, Interior and Insular Affairs, Energy and Commerce, and Veterans' Affairs.

5094—November 29, 1982, an October 8, 1982 letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend section 3301 of title 38 of the United States Code.

5172—November 29, 1982, an October 25, 1982 letter from the Comptroller General of the United States, transmitting a report on the Veterans' Administration's agent orange examinations, (GAO/HRD-83-6, October 25, 1982); jointly to the Committees on Government Operations and Veterans Affairs.

HEARINGS AND EXECUTIVE SESSIONS

FULL COMMITTEE

(All hearings and executive sessions of the Committee are held in the Committee hearing room, Room 334 Cannon House Office Building, at 10:00 a.m., unless otherwise designated)

February 4, 1981—Open. Full Committee. Organization meeting.

February 18, 1981—Open. 9:00 a.m. Full Committee. Fiscal Year 1982 Carter Budget, Witnesses: Veterans Administration and Veterans of World War I of the U.S.A., Inc.

February 24, 1981—Open. 9:00 a.m. Full Committee. Veterans organization programs. Disabled American Veterans.

February 26, 1981—Open. 9:00 a.m. Full Committee. Veterans organization programs. Paralyzed Veterans of America, Blinded Veterans Association, and Veterans of World I of the U.S.A., Inc.

March 3, 1981—Open. 9:30 a.m. 345 Cannon House Office Building. Full Committee. Veterans organization program. Veterans of Foreign Wars.

March 4, 1981—Open. 9:00 a.m. Full Committee. Prisoner-of-War Study and H.R. 1100. Witnesses: Veterans Administration, Lt. Gen. John P. Flynn (Ret.), and veterans organizations.

March 10, 1981—Open. 9:00 a.m. Full Committee. Approval of the budget report to the Budget Committee. Markup of H.R. 1100. H.R. 1100 amended and ordered reported.

March 26, 1981—Executive. 9:05 a.m. Full Committee. Reagan adjustments to Carter budget for fiscal year 1982.

April 2, 1981—Open. 9:30 a.m. Full Committee. Veterans organizations programs. AMVETS and Military Order of the Purple Heart.

May 12, 1981—Open. 9:00 a.m. Full Committee. Markup. VA Hospital resolution approved. Ordered H. Con. Res. 76, H.R. 2156, H.R. 3502, H.R. 3423, and H.R. 3499 reported, and H.R. 1714, H.R. 2136, H.R. 2039 and H.R. 1400 reported as amended.

June 25, 1981—Open. 9:00 a.m. Full Committee. Markup. H.R. 3995 ordered reported.

September 22, 1981—Open. 9:00 a.m. Full Committee. Veterans organizations programs. The American Legion.

October 20, 1981—Open. 8:30 a.m. Full Committee. Implementation of OMB Circular A-76, "Policies for Acquiring Commercial or Industrial Products and Services Needed by the Government." Witnesses: Hon. Tom Harkin, Hon. Virginia Smith, Hon. Henry Gonzalez, OMB, Veterans Administration, union and public witnesses.

February 23, 1982—Open. 9:00 a.m. Full Committee. Veterans organizations programs. Disabled American Veterans.

March 1, 1982—Open. 9:00 a.m. Full Committee. Fiscal year 1983 VA Budget. Witnesses: Veterans Administration, veterans organizations and Association of VA Investigators and Research Administrators.

March 2, 1982—Open. 9:00 a.m. Full Committee. Veterans organization programs. Blinded Veterans Association, Paralyzed Veterans of America and Veterans of World War I.

March 10, 1982—Open. 8:30 a.m. Full Committee. Markup of H.R. 4326 and report to the Budget Committee. H.R. 4326 ordered reported with amendments.

March 30, 1982—Open. 9:30 a.m. 345 Cannon House Office Building. Full Committee. Veterans organizations programs. Veterans of Foreign Wars.

April 29, 1982—Open. 9:00 a.m. Full Committee. Veterans organizations programs. AMVETS and Military Order of the Purple Heart.

May 11, 1982—Open. 9:00 a.m. Full Committee. Markup. VA construction resolution approved, and a clean bill to be introduced ordered reported in lieu of H.R. 5846 and H.R. 6286.

July 22, 1982—Open. 9:00 a.m. Full Committee. Markup of: Allocation of funds to Subcommittees; recommendations to Budget Committee in compliance with reconciliation instructions, H.R. 6782, H.R. 6788, H.R. 6794. H.R. 6788 and H.R. 6794 ordered reported; H.R. 6782 ordered reported with amendment.

September 21, 1982—Open. 9:00 a.m. Full Committee. Veterans organizations programs. The American Legion.

SUBCOMMITTEE ON HOSPITALS AND HEALTH CARE

Feburary 25, 1981—Executive. 9:00 a.m. Subcommittee on Hospitals and Health Care. Discussion of legislative and oversight program and review of medical budget for Fiscal Year 1982.

March 11, 1981—Open. 9:00 a.m. Subcommittee on Hospitals and Health Care. Authorize major VA medical construction for Fiscal Year 1982. Witnesses: Hon. James J. Florio, Hon. Adam Benjamin, Hon. Lindy Boggs, Veterans Administration, and veterans organizations.

March 25, 1981—Open. 8:30 a.m. Subcommittee on Hospitals and Health Care. H.R. 1969, H.R. 2158, H.R. 2048, and H.R. 2155. Witnesses: Department of Defense, Veterans Administration, and veterans organizations.

April 1, 1981—Open. 9:00 a.m. Subcommittee on Hospitals and Health Care. Contracting of health care services in Alaska, Hawaii, and the Philippines and extension of grant program for state medical schools. Witnesses: Veterans Administration and Dr. John R. Beljan, Wright State University, Dayton, Ohio. Hearing followed by markup. H.R. 2156 recommended to full Committee.

April 8, 1981—Open. 9:00 a.m. Subcommittee on Hospitals and Health Care. Readjustment Counseling Program. Witnesses: Center for Policy Research, Veterans Administration, and veterans organizations.

April 28, 1981—Open. 9:00 a.m. Subcommitee on Hospitals and Health Care. H.R. 2157, H.R. 2953, H.R. 2999; draft legislation to authorize grants to the Republic of the Philippines Veterans Memorial Center. Witnesses: Science Panel, Interagency Work Group, National Toxicology Program; Veterans Administration, and Veterans Organizations.

April 30, 1981—Open. 9:00 a.m. Subcommittee on Hospitals and Health Care. Markup. Clean bill to be introduced recommended in lieu of H.R. 1969 and H.R. 2158. Clean bill to be introduced recommended in lieu of H.R. 2155, H.R. 2157, H.R. 2415, H.R. 2953, H.R. 2999, H.R. 3259 and H.R. 3307.

July 15, 1981—Open. 8:30 a.m. Subcommittee on Hospitals and Health Care. Policy on naming of VA medical facilities. Oversight on security forces at VA medical facilities. Witnesses: Hon. Gary A. Lee, Veterans Administration, Brecksville, Ohio Police Department and General Accounting Office.

July 22, 1981—Open. 8:30 a.m. Subcommittee on Hospitals and Health Care. Geriatric medical care and extended care program. Witnesses: Veterans Administration and veterans organizations.

September 23, 1981—Open. 8:30 a.m. Subcommittee on Hospitals and Health Care. H.R. 2832 and H.R. 4025. Witnesses: Hon. Cooper Evans, Veterans Administration, National Association of State Veterans Homes and veterans organizations.

November 4, 1981—Open. 9:00 a.m. Subcommittee on Hospitals and Health Care. VA Prosthetic Research and Development Programs. Witnesses: Veterans Administration, veterans organizations, prosthetists, and public witnesses.

January 27, 1982—Open 9:00 a.m. Subcommittee on Hospitals and Health Care. H.R. 4326. Witnesses. Small Business Administration, Veterans Administration, Association of American Medical Colleges, and Veterans of Foreign Wars. Markup followed hearing. H.R. 4326 with amendment referred to Full Committee.

March 17, 1982—Open. 9:00 a.m. 340 Cannon House Office Building. Subcommittee on Hospitals and Health Care. Extension of VA programs scheduled to expire in 1982 and an amendment to Title 38 for a flexible or compressed work schedule for VA registered nurses. (H.R. 5737) Witnesses: Hon. Baltasar Corrada, Veterans Administration and veterans organizations.

April 1, 1982—Open. 9:00 a.m. Subcommittee on Hospitals and Health Care. Hearing on VA medical facilities construction. Witnesses: Hon. Henry Gonzalez, Hon. Bill Frenzel, Hon. Bruce Vento, Hon. Tom Hagedorn, Hon. Martin Sabo, Hon. Arlen Erdahl, the Administrator of Veterans Affairs and veterans organizations.

April 28, 1982—Open. 9:00 a.m. Markup. Subcommittee on Hospitals and Health Care. Approved VA Medical Facilities Construction Resolution. Recommeded H.R. 5846, and a clean bill in lieu of H.R. 5737 and H.R. 5847 as amended to the Full Committee.

June 23, 1982—Open. 9:00 a.m. Subcommittee on Hospitals and Health Care. Health care for veterans residing in Florida. Witnesses: Hon. Lawton Chiles, Hon Paula Hawkins, Hon. Bill Chappell, Jr., Hon. Don Fuqua, Hon. Earl Hutto, Hon. Bill McCollum, Hon. Dan Mica, Hon. Bill Nelson, Hon. Claude Pepper, Hon. E. Clay Shaw, Hon. C. W. Bill Young, Veterans Administration and veterans organizations.

July 14, 1982—Open. 9:00 a.m. Subcommittee on Hospitals and Health Care. Geriatric Programs of the Veterans Administration. Witnesses: Veterans Administration and veterans organizations.

July 28, 1982—Open. 9:00 a.m. Subcommittee on Hospitals and Health Care. VA programs for spinal cord injured veterans. Witnesses: Veterans Administration, Paralyzed Veterans of America, Medical College of Virginia, National Spinal Cord Injury Association.

September 23, 1982—Open. 9:00 a.m. Subcommittee on Hospitals and Health Care. VA Hospital Security Program. Winesses: Veterans Administration, Office of Personnel Management and Veterans of Foreign Wars.

December 14, 1982—Open. 8:30 a.m. Subcommittee on Hospitals and Health Care. Veterans Administration medical construction program. Witnesses: Hon. Bill Nelson, Hon. Bill Frenzel, General Accounting Office, Veterans Administration and veterans organizations.

SUBCOMMITTEE ON COMPENSATION, PENSION AND INSURANCE

March 18, 1981—Open. 9:00 a.m. Subcommittee on Compensation, Pension and Insurance. H.R. 1166, H.R. 1167, H.R. 2027, H.R. 2541, and H.R. 2542. Witnesses: Veterans Administration and veterans organizations.

April 8, 1981—Open. 8:30 a.m. Subcommittee on Compensation, Pension and Insurance. VA insurance programs. Witnesses: Veterans Administration, Department of Defense and veterans organizations.

May 18, 1981—Open. 9:00 a.m. Room 340. Subcommittee on Compensation, Pension and Insurance. Oversight of compensation and DIC programs. Witnesses: Veterans Administration and veterans organizations.

June 2, 1981—Open. 9:00 a.m. Subcommittee on Compensation, Pension and Insurance. Oversight of activities of Board of Veterans' Appeals. Witnesses: Veterans Administration and Veterans of Foreign Wars.

June 15, 1981—Open. 9:00 a.m. Subcommittee on Compensation, Pension and Insurance. Markup of draft legislation in lieu of H.R. 2027, H.R. 2028, H.R. 2029, H.R. 2542, H.R. 301, H.R. 2888, and H.R. 2541. Followed by hearing on automotive adaptive equipment program. Witnesses: Veterans Administration and veterans organizations.

July 21, 1981—Open. 8:30 a.m. Subcommittee on Compensation, Pension and Insurance. H.R. 1918. Witnessses: Hon. Glenn Anderson, Hon. Robert Edgar, Hon. Claude Pepper, Hon. Thomas J. Tauke, Hon. Ike Skelton, Veterans Administration, and veterans organizations.

October 27, 1981—Open. 9:00 a.m. Subcommittee on Compensation, Pension and Insurance. Oversight of compensation programs. Witnesses: Veterans Administration and veterans organizations.

March 25, 1982—Open. 9:00 a.m. Subcommittee on Compensation, Pension and Insurance. Hearing on veterans insurance programs. Witnesses: Veterans Administration, Department of Defense, service and veterans organizations.

April 22, 1982—Open. 9:00 a.m. Subcommittee on Compensation, Pension and Insurance. Hearing on VA compensation program. H.R. 4308, H.R. 5709, H.R. 5144, H.R. 6039, H.R. 6040, H.R. 6041 and a draft bill to be introduced. Witnesses: Hon. Christopher H. Smith, Veterans Administration and veterans organizations.

June 24, 1982—Open. 9:00 a.m. Subcommittee on Compensation, Pension and Insurance. Hearing to review the performance of the Board of Veterans' Appeals. Witnesses: Veterans Administration and veterans organizations.

July 14, 1982—Open. 10:00 a.m. Room 340 Cannon House Office Building. Subcommittee on Compensation, Pension and Insurance. Markup. A draft clean bill recommended to Full Committee in lieu of H.R. 4837, H.R. 5144, H.R. 6039, H.R. 6040, H.R. 6041, H.R. 6044, H.R. 6154 and H.R. 6155.

SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT

March 12, 1981—Executive. 9:00 a.m. Subcommittee on Education, Training and Employment. Review of Fiscal Year 1982 budget for Education, Training and Employment programs.

March 17, 1981—Open. 9:00 a.m. Subcommittee on Education, Training and Employment. H.R. 1400 and similar legislation. Witnesses: Hon. G. V. Montgomery, Hon. William L. Armstrong, Department of the Army, Department of the Navy, Department of the Air Force, U.S. Marine Corps, U.S. Coast Guard.

March 19, 1981—Open. 9:00 a.m. Subcommittee on Education, Training and Employment. Continued hearings on H.R. 1400 and similar legislation. Witnesses: Hon. G. William Whitehurst, Hon. John W. Warner, Department of Defense, Navy, Air Force, Department of Transportation, and Veterans Administration.

March 24, 1981—Open. 9:00 a.m. Subcommittee on Education, Training and Employment. Continued hearings on H.R. 1400 and similar legislation. Witnesses: Hon. Norman D. Dicks, Hon. William D. Clark, Acting Assistant Secretary of the Army, National Guard Bureau, U.S. Army Reserves, Naval Reserves, U.S. Marine Corps Reserves, U.S. Air Force Reserves, U.S. Coast Guard Reserves, veterans organizations.

March 25, 1981—Open. 9:00 a.m. Subcommittee on Education, Training and Employment. Continued hearings on H.R. 1400 and similar legislation. Witnesses: Hon. Duncan Hunter, universities, education and veterans organizations.

March 31, 1981—Open. 8:30 a.m. Subcommittee on Education, Training and Employment. Review of VA education, training and employment programs. Witnesses: Veterans Administration, service and veterans organizations.

April 2, 1981—Open. 2:00 p.m. Subcommittee on Education, Training and Employment. Employment programs for veterans. Witnesses: Hon. Millicent Fenwick, Office of Personnel Management, U.S. Department of Labor, veterans organizations and state witnesses.

May 7, 1981—Open. 9:00 a.m. Room 340. Subcommittee on Education, Training and Employment. Markup. H.R. 1400 as amended and H.R. 3423 recommended to Full Committee.

October 14, 1981—Open. 9:00 a.m. Subcommittee on Education, Training and Employment. Veterans employment in the U.S. Postal Service. Witnesses: U.S. Postal Service and veterans organizations.

October 22, 1981—Open, 9:00 a.m. Subcommittee on Education, Training and Employment. Voluntary Program of Action Agency to help Vietnam veterans obtain private employment. Witnesses: Action.

November 10, 1981—Open. Subcommittee on Education, Training and Employment. Employment of veterans in the Federal Government. Witnesses: Office of Personnel Management, veterans organizations and public witnesses.

February 2, 1982—Open. 9:00 a.m. Subcommittee on Education, Training and Employment. Veterans employment programs administered by the Department of Labor. Witnesses: U.S. Department of Labor, Interstate Conference of Employment Security Agencies, Inc., and veterans organizations.

March 11, 1982—Open. 10:30 a.m. 2118 Rayburn House Office Building. Subcommittee on Education, Training and Employment and Armed Services Subcommittee on Military Personnel and Compensation. Joint hearing on G.I. Bill proposals for All Volunteer Armed Forces. Witnesses: Hon. Lawrence J. Korb, Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics.

March 31, 1982—Open. 9:00 a.m. Subcommittee on Education, Training and Employment. Hearing on G.I. Bill proposals for All Volunteer Armed Forces. Witnesses: Hon. Duncan Hunter, three panels of service personnel, and one panel of veterans and service organizations.

May 4, 1982—Open. 9:30 a.m. Subcommittee on Education, Training and Employment. Hearing on employment programs administered by the Department of Labor. Witnesses: Interstate Conference of Employment Security Agencies, Inc., service and veterans organizations.

June 17, 1982—Open. 9:30 a.m. Subcommittee on Education, Training and Employment. Hearing on education programs administered by the Veterans Administration and H.R. 5673. Witnesses: Hon. David E. Bonior, Hon. Leon E. Panetta, Hon. James J. Florio, Hon. Jim Santini, Hon. Edward Wolpe, Hon. William R. Ratchford, and Hon. Barney Frank, Veterans Administration, education and veterans organizations representatives.

June 22, 1982—Open. 8:30 a.m. Subcommittee on Education, Training and Employment. H.R. 6440. Witnesses: Department of Labor, Department of Defense and veterans organizations.

July 15, 1982—Open. 8:30 a.m. Subcommittee on Education, Training and Employment. Markup. A draft clean bill recommended to Full Committee in lieu of H.R. 6440 and H.R. 5673. A draft clean bill recommended to Full Committee in lieu of H.R. 5209.

August 4, 1982—Open. 9:30 a.m. Subcommittee on Education, Training and Employment, joint hearing with the Subcommittee on Postsecondary Education of the Committee on Education and Labor on H.R. 6190. Witnesses: Department of Education, Veterans Administration, education and veterans organizations representatives.

SUBCOMMITTEE ON HOUSING AND MEMORIAL AFFAIRS

April 7, 1981—Open. 9:30 a.m. Subcommittee on Housing and Memorial Affairs. H.R. 2136, H.R. 1714 and H. Con. Res. 76. Witnesses: Hon. Cecil Heftel, Department of the Army, Veterans Administration, and Disabled American Veterans.

April 9, 1981—Open. 9:30 a.m. Subcommittee on Housing and Memorial Affairs. H.R. 2038, H.R. 2039 and oversight of housing programs. Witnesses: Mortgage Bankers Association, National Association of Home Builders, National Association of Realtors, Veterans Administration, Veterans of Foreign Wars, and National Association of Housing Cooperatives.

May 7, 1981—Open. 9:30 a.m. Subcommittee on Housing and Memorial Affairs. Markup. H. Con. Res. 76, H.R. 2136, H.R. 1714 as amended, and H.R. 2039 as amended recommended to Full Committee.

March 16, 1982—Open. 9:30 a.m. Subcommittee on Housing and Memorial Affairs. Oversight hearing on the VA National Cemetery System. Witnesses: Hon. Bill Nichols, Veterans Administration and Disabled American Veterans.

March 23, 1981—Open. 9:30 a.m. Subcommittee on Housing and Memorial Affairs. Oversight hearing on VA Home Loan Guaranty Program. Witnesses: Hon. Charles E. Bennett, Hon. C. W. Bill Young, Veterans Administration, Government National Mortgage Assn., Mortgage Bankers Assn. of America, veterans organizations and public witnesses.

August 10, 1982—Open. 9:30 a.m. Subcommittee on Housing and Memorial Affairs. H.R. 5702. Witnesses: Hon. Charles E. Bennett, Hon. C. W. Bill Young, Local 1213, National Federation of Federal Employees, Mortgage Bankers Association of Florida, National Association of Home Builders, and the Veterans Administration.

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

March 31, 1981—Open. Subcommittee on Oversight and Investigations. Small business loans for veterans. Witnesses: Veterans Administration, Small Business Administration and veterans organizations.

May 6, 1981—Open. 8:30 a.m. Subcommittee on Oversight and Investigations. Review of status of Agent Orange studies. Witnesses: Air Force, Veterans Administration, Office of Technology Assessment, National Veterans Law Center.

May 19, 1981—Open. 8:30 a.m. Subcommittee on Oversight and Investigations. Implementation of debt collection authorized by Public Law 96-466. Witnesses: Veterans Administration, Department of Justice and Veterans of Foreign Wars.

June 9, 1981—Open. 8:30 a.m. Subcommittee on Oversight and Investigations. Oversight, VA medical benefits program including: fire and safety codes in personal care homes, income limits of veterans receiving domiciliary care, and VA medical procurement program. Witnesses: Veterans Administration and National Fire Protection Association.

July 14, 1981—Open. 8:30 a.m. Subcommittee on Oversight and Investigations. VA contracting under OMB Circular A-76. Witnesses: Veterans Administration, Office of Management and Budget, American Federation of Government Employees, Former Director of VA Medical Center, and veterans organizations.

September 29, 1981—Open. 8:30 a.m. Subcommittee on Oversight and Investigations. Implementation of Title IV of Public Law 95-202 (benefits for WASPS). Witnesses: Veterans Administration, U.S. Air Force, WASPS and public witnesses.

October 7, 1981—Open. Subcommittee on Oversight and Investigations. Computer Development Center, Austin, Texas, and TARGET computer system. Witnesses: Hon. J. J. Pickle, Veterans Administration, General Accounting Office and Honeywell Information Systems.

November 17, 1981—Open. 8:30 a.m. Subcommittee on Oversight and Investigations. Continued hearings on OMB Circular A-76. Witnesses: General Accounting Office, National Association of VA Physicians and public witnesses.

March 24, 1981—Open. 8:30 a.m. Subcommittee on Oversight and Investigations. Status of computer plans and applications in the Department of Medicine and Surgery and Veterans Benefits. Witnesses: Veterans Administration.

April 27, 1981—Open. 8:30 a.m. Subcommittee on Oversight and Investigations. Hearing on proposed revision to OMB Circular A-76. Witnesses: Veterans Administration, union representatives and veterans organizations.

May 12, 1981—Open. 8:30 a.m. Subcommittee on Oversight and Investigations. Hearing to review VA Medical Advisory Groups, implementation of Section 115, Public Law 96-330. VA Dental Program, and VA Canteen Service and General Post Fund. Witnesses: Chief Medical Director and Chairman of the Special Medical Advisory Group. Veterans Administration.

June 9, 1981—Open. 8:30 a.m. Subcommittee on Oversight and Investigations. Hearing to review VA Inspector General's activities in combatting waste and fraud and review of adequacy of VA debt collection. Witnesses: Veterans Administration.

September 15, 1981—Open. 8:30 a.m. Subcommittee on Oversight and Investigations. Hearing on the status and activities of the Federal Government concerning the Agent Orange issue and the Vet Center Program. Witnesses: Department of Health and Human Services, Department of the Air Force, Department of the Army, Veterans Administration, State of Illinois Agent Orange Study Commission, and veterans organizations.

FIELD HEARINGS AND SELECT SUBCOMMITTEES

April 6, 1981—Open. 10:00 a.m. Armed Forces Staff College, Commissioned Officers Club, 7800 Hampton Blvd., Norfolk, VA. Subcommittee on Education, Training and Employment. H.R. 1400. Witnesses: Three panels of Navy personnel, three panels of Air Force personnel.

April 23, 1981—Open. 9:00 a.m. Room 2003A, John F. Kennedy Federal Bldg., Government Center, Boston, Massachusetts, Subcommittee on Education, Training and Employment. H.R. 1400. Witnesses: three panels of Army personnel, one panel of Army Recruiters, one panel of Air Force personnel and veterans organizations.

June 1, 1981—Open. 9:00 a.m. International Room, Holiday Inn—Downtown, Sioux Falls, South Dakota. Subcommittee on Hospitals and Health Care. Oversight of readjustment counseling. Witnesses:

Veterans Administration, veterans organizations, education community and public witnesses.

June 15, 1981—Open. 10:30 a.m. Richard B. Russell Federal Building, 75 Spring Street, S.W., Atlanta, Georgia. Subcommittee on Hospitals and Health Care. Oversight of readjustment counseling. Witnesses: Veterans Administration, veterans organizations, and public witnesses.

July 16, 1981—Open. 9:00 a.m. Select Subcommittee. Benefits and services for Vietnam Era veterans. Witnesses: Public witnesses, veterans organizations and Veterans Administration.

October 9, 1981—Open. 9:30 a.m. Board Room East Side Union High School District, Education Center, 830 N. Capitol Ave., San Jose, California. Subcommittee on Education, Training and Employment. Veterans employment programs. Witnesses: Veterans Administration, California Employment Development Department, U.S. Department of Labor, California Department of Veterans Affairs and American G.I. Forum.

October 30, 1981—Open. 2:00 p.m. Courtroom 1, Tuscaloosa County Courthouse, 714 Greensboro Avenue, Tuscaloosa, Alabama. Subcommittee on Oversight and Investigations. Recruitment and retention of medical personnel, effect of budget constraints on hospitals admitting practices, and impact of OMB Circular A-76 on VA Department of Medicine and Surgery. Witnesses: Veterans Administration, veterans organizations, state, union and public witnesses.

November 30, 1981—Open. 9:30 a.m. Library-Conference Center, Indiana University Northwest, 3400 Broadway, Gary, Indiana. Subcommittee on Hospitals and Health Care. Determining the need for a VA outpatient clinic in Northwest Indiana. Witnesses: Hon. Floyd J. Fithian, Hon. Adam Benjamin, Jr., Staff Member of Hon. Richard G. Lugar and Hon. Dan Quayle, Veterans Administration, veterans organizations, state, city and public witnesses.

March 22, 1982—Open. 9:30 a.m. City Council Chamber, 125 N. Mid-America Mall, Memphis, Tennessee. Subcommittee on Oversight and Investigations. Oversight on hospital admitting practices in VA medical centers in Tennessee, and quality of service rendered by Nashville VARO. Witnesses: Veterans Administration, veterans organizations and state officials.

June 19, 1982—Open. 8:30 a.m. Social Rehabilitation Services Auditorium, 111 Sanders St., Helena, Montana. Subcommittee on Oversight and Investigations. Quality of health care and services at VA facilities, Vietnam veterans and POW issues. Witnesses: Veterans Administration, Social Security Administration, veterans organizations and public witnesses.

August 26, 1982—Open. 8:00 a.m. Lincoln Room, Alex Johnson Hotel, 523 6th Street, Rapid City, SD. Subcommittee on Hospitals and Health Care. Hearing on issues affecting Vietnam veterans. Witnesses: Veterans Administration, veterans organizations, State government and public witnesses.

August 26, 1982—Open. 2:30 p.m. Legislative Committee Room, State Capitol, Bismarck, ND. Subcommittee on Hospitals and Health Care. Hearing on issues affecting Vietnam veterans. Witnesses: Veterans Administration, veterans organizations, university and public witnesses.

September 1, 1982—Open. 11:00 a.m. Room 16, Legislative Plaza, State Capitol, Nashville, TN. Special Oversight Subcommittee. Hearing on construction project at VAMC, Murfreesboro, TN. to provide facilities for the planned expansion of the affiliation between the VAMC and Meharry Medical College. Witnesses: Veterans Administration, university, veterans organizations and State government.

ACTIVITIES OF THE SUBCOMMITTEE ON HOSPITALS AND HEALTH CARE, 97TH CONGRESS

The Subcommittee on Hospitals and Health Care has the legislative and oversight responsibility for the Veterans Administration's health care delivery system. This health care system is the largest in the United States operated under single management.

The VA's system of medical care facilities consists of 172 medical centers, 226 outpatient clinics, 16 domiciliaries (one of which operates independently), and 97 nursing home care units. In addition, the VA contracted for approximately 29,189 episodes of hospital care in non-VA hospitals and for approximately 31,658 admissions to community nursing care facilities for the fiscal year ending September 30, 1982. Further, the VA assists in the support of veterans in 39 State domiciliaries, 35 State nursing homes, and 7 State veterans hospitals. At the close of fiscal year 1982, the Veterans Administration medical program was providing psychological readjustment counseling for Vietnam veterans and their families in some 133 store front Vet Centers throughout the country.

Medical care is also provided to the spouses, widows, children, and orphans of veterans who are permanently and totally disabled from diseases or injuries traceable to their service in the Armed Forces or who died as a result of service-connected disabilities. This care is provided through the Civilian Health and Medical Program of the Veterans Administration (CHAMPVA) and is administered by the Department of Defense through the agency that administers a similar program for retirees and dependents of the uniformed services.

To carry out its legislative and oversight responsibilities, the Subcommittee on Hospitals and Health Care conducted some 21 hearings during the 97th Congress.

PSYCHOLOGICAL READJUSTMENT COUNSELING FOR VIETNAM VETERANS

One of the most pressing matters receiving consideration during the first session of the 97th Congress was psychological readjustment counseling for Vietnam veterans. This program is operated through a series of "store front" clinics known as Vet Centers where counselors conduct rap sessions with Vietnam veterans and their families. When indicated, the veteran is referred to a VA Medical Center for more definitive medical care. Legislative hearings were held to determine the need to extend the program. As passed in Public Law 97-72, the program was extended for three additional fiscal years. Some 133 such Vet Centers are currently in operation.

In addition, the Subcommittee held four field hearings on the operation of the Vet Centers and problems affecting Vietnam veterans. These hearings were held in Atlanta, Georgia; Sioux Falls, South Dakota; Rapid City, South Dakota; and Bismarck, North Dakota.

AUTHORITY FOR HOSPITAL CARE AND MEDICAL TREATMENT FOR AGENT ORANGE RELATED CONDITIONS AND IONIZING RADIATION

Legislative hearings were conducted on H.R. 2953, to provide medical care for veterans exposed to dioxins. As passed in Public Law 97-72, Vietnam veterans who served in-country and exposed to any toxic substance, as well as veterans exposed to ionizing radiation in Hiroshima and Nagasaki or from the testing of a nuclear device following World War II, are eligible to receive outpatient and inpatient medical care if a VA physician believes that their conditions could possibly have resulted from exposure to dioxins or ionizing radiation.

MEDICAL CONSTRUCTION PROGRAM

During the 97th Congress, progress continued on enhancing and improving the VA's medical facilities to ensure the delivery of the highest quality medical care. In accordance with Section 5007 of Public Law 96-22, the Veterans Administration presented to the Committee two successive annual issues of the Five-Year Medical Facility Construction Plan, together with a prioritized listing in each year of the ten medical centers most in need of construction, replacement, or major modernizaiton. The latest Plan (fiscal years 1983-1987) identifies 252 projects with a combined estimated construction cost of $5,350,450,000. Each of the projects will be a product of the Advanced Planning Fund process which provides the VA with the opportunity to fully explore alternative means of correcting deficiencies at selected medical centers prior to finalizing a project scope and cause a particular project to be expanded, reduced in scope, cancelled, or consolidated into other construction planned for the same medical center. The Subcommittee held hearings on the construction plan in both sessions, and approved construction authorization resolutions for both sessions.

ESTABLISHMENT OF A MINIMUM AND MAXIMUM NUMBER OF HOSPITAL AND NURSING CARE BEDS IN THE VA

Legislative hearings were conducted on H.R. 3307, to establish a minimum and maximum number of hospital and nursing home beds in the VA's health care delivery system. As passed in Public Law 97-72, the Administrator of Veterans' Affairs is required to operate and maintain a combined total of 90,000 hospital and nursing care beds and to maintain the availability of such additional beds and facilities as are necessary to fulfill the VA's contingency responsibility in assisting the Department of Defense in case of war or national emergency.

SHARING OF MEDICAL FACILITIES BETWEEN THE VETERANS ADMINISTRATION AND DEPARTMENT OF DEFENSE

Legislative hearings were conducted on H.R. 3502, to provide greater coordination and sharing of the medical facilities of the

Veterans Administration and the Department of Defense. Jointly referred to the Committee on Armed Services, H.R. 3502 became Public Law 97-174 and requires the Administrator and the Secretary of Defense to jointly establish guidelines for the sharing of medical resources within one year after the date of enactment, which was May 4, 1982. An annual report to Congress is required to be submitted at the time of the President's budget for the next fiscal year with regard to sharing accomplishments during the preceding fiscal year, problems encountered, future plans, and recommendations for additional legislative authority.

RECOVERY OF COSTS

Legislative hearings were conducted on H.R. 2155, to provide the Administrator the authority to recover the reasonable costs of care and services from a State (or political subdivision thereof), employer, employer's insurance carrier, or in situations arising under a State's "victims of crime" law to the extent that the veteran, or the provider of care and services to the veteran, would be eligible to receive reimbursement for such care and services if they had not been furnished by the Veterans Administration. The Subcommittee and the full Committee favorably reported the provisions of this bill which became part of Public Law 97-72.

IMPROVE VA'S RECRUITMENT AND RETENTION OF REGISTERED NURSES

Legislative hearings were conducted on H.R. 6350, to enhance recruitment and retention by the Veterans Administration of registered nurses. As passed in Public Law 97-251, the Administrator is provided discretionary authority to pay premium pay to nurses for Saturday work. The law also provides the Administrator with authority, when determined to be necessary in order to recruit and retain the services of nurses at VA health-care facilities, to consider that nurses at VA medical facilities who work two regularly scheduled 12-hour tours of duty within the period commencing midnight Friday and ending midnight the following Sunday be considered to have worked a full, 40-hour basic workweek. The law also improves the VA Health Professional Scholarship Program by providing that personnel, currently employed by the VA on a full-time basis and who are desirous of pursuing part-time training for a baccalaureate or advanced degree, eligibility for financial assistance from the VA while pursuing such part-time training.

OVERSIGHT ACTIVITIES

The Subcommittee predominantly emphasized its oversight responsibilities in the 97th Congress by holding hearings on issues of particular interest to the delivery of health care to veterans. Particular attention was given to the delivery of health care to veterans residing in the State of Florida. An oversight hearing on this matter was held with most of the Florida Congressional delegation appearing as witnesses.

Oversight hearings were also held on VA activities dealing with Spinal Cord Injured veterans, prosthetic research, and geriatric veterans. The Subcommittee remains keenly aware of the unique condition of these veteran patients and continues to emphasize the interest of the Subcommittee in their treatment through such oversight hearings.

The Subcommittee also continued its oversight responsibilities with the VA Medical Centers security program. At an oversight hearing, the Subcommittee recommended certain measures to improve security at VA Medical Centers and asked the VA to recommend legislation. Legislative hearings are anticipated in the 98th Congress.

EXTENSION OF EXPIRING AUTHORITIES

Legislative hearings were conducted on the extension of contract authority to provide medical care for veterans with nonservice-connected conditions in Puerto Rico and the Virgin Islands, contract authority for veterans residing in the Republic of the Philippines, and grant authority to the Republic of the Philippines for assistance to the Veterans Memorial Medical Center in Manila. All of these authorities were extended in Public Law 97-72. The authority to extend contract care for veterans in Puerto Rico and the Virgin Islands was again extended in Public Law 97-251 until September 1983. The VA was required, however, to report its recommendations to permanently resolve this issue by December 1, 1982.

The Subcommittee also initiated legislation which became P.L. 97-15. The law extends the availability of grant funds to selected State medical schools for an additional twelve-month period.

In addition, the Subcommittee, through legislation which became P.L. 97-251, extended the authorization of appropriations for the Administrator to make grants to the States for construction, modernization, or alteration of State veterans hospitals, nursing homes, and domiciliaries for an additional four-year period, or through fiscal year 1986.

ACTIVITIES OF THE SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

The purpose of the Subcommittee on Oversight and Investigations, formerly the Subcommittee on Special Investigations, is to conduct investigations and oversight hearings on matters which are referred to the Subcommittee by the Chairman of the full Committee for investigations and appropriate recommendations.

Sixteen hearings were held by the Subcommittee on Oversight and Investigations during the 97th Congress; 13 in Washington, D.C. and 1 each in Tuscaloosa, Alabama, Memphis, Tennessee and Helena, Montana.

SMALL BUSINESS LOANS FOR VETERANS

During the 96th Congress two oversight hearings were held by the Subcommittee on Special Investigations on the implementation of the provision of Public Law 93-237 which provided that veterans, their survivors and dependents are to receive special consideration in obtaining direct and guaranteed loans from the Small Business Administration. This included Federal procurements contracts under Section 8(A) of the Small Business Act. Testimony during these hearings revealed that the Small Business Administration's budget submission to the Congress contained no operating funds for veterans programs. The SBA admitted it had been remiss in implementing the provision pertaining to veterans, and stated the agency would begin a comprehensive program of workshops and seminars, as well as an out outreach effort, in order to provide the assistance required by law.

During continuing oversight in the 97th Congress, testimony was received on March 31, 1981 from Mr. James J. Cox, Director of the Veterans Assistance Service of the Veterans' Administration; Mr. Roger Jones, Acting Administrator of the Small Business Administration; Mr. James G. Bourie, Director for Economics, The American Legion; Mr. Thomas Wincek, Chairman of the Vietnam Veterans Foundation, and Mr. Philip R. Mayo, Special Assistant, National Legislative Service, Veterans of Foreign Wars. It was clear that the Small Business Administration, in spite of increased effort, still was not providing the special consideration to veterans mandated by the Congress.

As a result of the hearings during the 96th and 97th Congresses, legislation was ordered reported by the Committee on Veterans' Affairs which, in 1981, subsequently became Public Law 97-72, authorizing a one-time appropriation of $25 million for the establishment of a program of small business loans for certain service-connected disabled and Vietnam era veterans under which the Administrator may, until September 30, 1986, offer loan guarantees and direct loan assistance of up to $200,000 for veterans' small business concerns.

The Committee notes with regret that the President's Fiscal Year 1983 Budget included no request for funds for the Veterans' Administration Small Business Loan program. As a consequence, no funds were appropriated for this program in the HUD and Independent Agencies Appropriation Act of 1982. However, the Chairman of the Appropriations Committee's Subcommittee on HUD and Independent Agencies indicated that he would seek approval of funds to be earmarked for this program in the appropriations for the Small Business Administration and a $25 million appropriation was included in Public Law 97-377 for this program.

REVIEW OF THE CURRENT STATUS OF AGENT ORANGE STUDIES

Public Law 96-151 mandated a Veterans' Administration epidemiological study of Vietnam veterans exposed to the herbicide, Agent Orange, in order to determine whether there is a causal link between exposure to Agent Orange and health problems experienced by Vietnam veterans, and the Office of Technology Assessment was directed to review and approve the study protocol and to monitor the conduct of the study to assure compliance with the protocol.

The Subcommittee met on May 6, 1981 to determine the current status of the VA epidemiological study and the Ranch Hand study being conducted by the Department of the Air Force. Testimony was received from Lieutenant General Paul W. Myers, Surgeon General of the Air Force; Doctor William J. Jacoby, Deputy Chief Medical Director of the Veterans' Administration; Mr. Michael

Gough, Senior Analyst and Project Director, Office of Technology Assessment, and Mr. Ronald Simon of the National Veterans Law Center.

The Surgeon General of the Air Force indicated that a review of the Ranch Hand study protocol by the Interagency Work Group necessitated several protocol modifications by the Air Force, and the revised protocol was completed in November, 1980. A questionnaire was to be delivered by the contractor on June 15, 1981, and the contract for administration of the questionnaire was to be awarded in August, 1981. All possible Ranch Handers and controls are to be interviewed during the 12 months subsequent to August, 1981.

The Veterans' Administration testified that the contract for the design of the epidemiologic study was awarded on May 1, 1981 to the University of California at Los Angeles, with the design to be developed within 60 days from the time of the contract award. The protocol will then be subjected to a detailed peer review of the design by the Office of Technology Assessment, the Science Panel of the Interagency Work Group, the VA Advisory Committee on Health Related Effects of Herbicides and the National Academy of Sciences National Research Council. Doctor Jacoby indicated that the first phase of the study would likely be an assessment of the past and present health status of veterans being studied, and that the assessment should be available approximately 18 months following the start of the study.

Mr. Gough of the Office of Technology Assessment stated an advisory panel of non-Federal employees will be assembled to comment on the protocol consisting of 12–14 people. Dr. Richard Remington, Dean of the School of Public Health, University of Michigan, has been selected as chairman of the panel. Mr. Gough indicated that the study protocol would be distributed to the panel members, allowing approximately 2 weeks for review, and that meetings of one or two days would be required to discuss the review.

It is recomended that the Subcommittee continue oversight of the Agent Orange studies during the 98th Congress.

IMPLEMENTATION OF VETERANS' ADMINISTRATION DEBT COLLECTION EFFORTS AUTHORIZED BY PUBLIC LAW 96–466

Public Law 96–466 granted the Administrator of Veterans' Affairs the authority to recover monies owed the U.S. Government as a result of indebtedness by virtue of a veteran's participation in Veterans' Administration benefit programs.

The Subcommittee heard testimony from Miss Dorothy L. Starbuck, Chief Benefits Director of the Veterans' Administration; Mr. Stuart E. Schiffer, Deputy Assistant Attorney General, Civil Division, Department of Justice, and Mr. Philip R. Mayo, Special Assistant, National Legislative Service, Veterans of Foreign Wars.

The Veterans' Administration, as of April 30, 1981, had collected $607,900 in monies owed to the Government. As of January 31, 1981, 306,000 delinquent accounts had been referred to the International Revenue Service for furnishing of addresses of veterans who have overpayments. The Subcommittee will continue to monitor the VA debt collection efforts authorized by P.L. 96–466.

VA MEDICAL PROGRAM

A review of certain collateral functions of the Veteran's Administration medical benefits program, including fire and safety codes of personal care homes in which veterans have been outplaced at their expense, income limits of veterans receiving domiciliary care, and the VA medical procurement program was conducted on June 9, 1981.

The Subcommittee received testimony from Doctor Turner Camp, Associate Deputy Chief Medical Director of the Veterans' Administration and Mr. Robert B. Smith, Director of Governmental Affairs, National Fire Protection Association. The Subcommittee also heard testimony from Miss Dorothy L. Starbuck, Chief Benefits Director of the Veterans' Administration; Mr. Stuart E. Schiffer, Deputy Assistant Attorney General, Civil Division, Department of Justice, and Mr. Philip R. Mayo, Special Assistant, National Legislative Service, Veterans of Foreign Wars. The Subcommittee concluded from the testimony that these functions are being administered efficiently and in accordance with current law and Federal regulations.

VA IMPLEMENTATION OF OMB CIRCULAR A-76

Office of Management and Budget Circular A-76, "Policies for Acquiring Commercial or Industrial Products and Services," directed that the Veterans' Administration conduct cost comparison studies to determine if it would be more economical to obtain services previously performed by VA employees from the private sector on a contract basis.

Chairman Montgomery and other Members of the Committee on Veterans' Affairs expressed misgivings about the impact of OMB Circular A-76 on the VA's ability to provide benefits and services to eligible veterans, particularly in the VA's Department of Medicine and Surgery. As a result, the Subcommittee conducted three hearings on this subject during the 97th Congress.

On July 14, 1981 the Subcommittee heard testimony from Mr. Clyde C. Cook, Assistant Administrator for Supply Services in the Veterans' Administration; Mr. Don Sowle, Administrator, Office of Federal Procurement Policy, OMB; Mr. Kenneth Blaylock, President, American Federation of Government Employees; Mr. Reuben Cohen, a former Director of VA Medical Centers; Mr. Philip Mayo, Special Assistant to the Director, National Legislative Service, Veterans of Foreign Wars; Mr. Robert E. Lyngh, Director, National Veterans Affairs and Rehabilitation Commission, The American Legion, and Mr. Gabriel Brinsky, National Service/Legislative Director, AMVETS. The Veterans' Administration witness testified that OMB had directed that the VA conduct A-76 cost comparison studies in 3 auxiliary VA health care functions. Mr. Cook said that the entire cost comparison review would involve 3,880 studies costing $29.1 million. Approximately 22,800 VA employees could potentially be affected with approximately 64%, or 15,592 employees, classified as veterans. Other witnesses expressed concern that contracting for these services could adversely affect the quality of health care delivered in the VA hospital system, and that the expenditure of $29.1 million from the Medical Care account to conduct the studies was imprudent during this period of fiscal austerity.

Language included by the Committee on Veterans' Affairs in H. R. 3995, as amended, which became Public Law 97-66, prohibits the use of funds appropriated for VA medical care, medical and prosthetic research, and medical administration and miscellaneous operating expenses for the conduct of OMB Circular A-76 cost comparison studies.

On November 17, 1981 the Subcommittee received testimony from Mr. Robert M. Gilroy, Senior Associate Director, Procurement, Logistics and Readiness Division, General Accounting Office; Doctor Paul W. Schafer, Executive Director of the National Association of VA Physicians; Mr. C. William Pollard, President and Chief Operating Officer, Service Master Industries, Inc.; Mr. Raymond D. Kalpin, President, Harry A. Stroh Associates, Princeton, NJ; Mr. James S. Netterstrom, President-elect, Building Service Contractors Association International, and Mr. Alfred Bromberg, Director of Marketing, Crothall Hospital Services, Freehold, NJ.

Doctor Schafer expressed his Association's opposition to OMB's mandate to contract out for over 36 functions within the VA hospital system, the exception being some ground maintenance functions, aspects of security and certain plant maintenance services. His organization is vitally concerned that patient treatment might be compromised if responsibility for these functions, which are planned for review, are removed from the hospital director and his staff. Witnesses from private sector service companies advised the Subcommittee of their capabilities and experience in providing primarily management services to the health care community for nonmedical functions. With the exception of a few United States Air Force hospitals, these private sector companies provide onsite managers supervising hospital employees.

In early 1982, the Subcommittee learned of the Office of Management and Budget's proposal to revise OMB Circular A-76 to make contracting out much simpler and to disregard costs, and was concerned that the proposal included several provisions which appeared to be designed to circumvent the intent of law as prescribed in Public Law 97-66, section 601(b)(5).

Accordingly, the Subcommittee held a hearing on April 27, 1982 to receive testimony on the proposed revision to Circular A-76. The Office of Management and Budget was invited to testify, but declined to do so. Additionally, the Veterans' Administration declined to submit a prepared statement based upon the fact that the proposed revisions were in draft form and the VA had not yet formulated a position on the proposed revisions. However, Mr. Clyde C. Cook, Assistant Deputy Administrator for Procurement and Supply of the Veterans' Administration; Ms. Marjorie J. Quandt, Assistant Chief Medical Director for Administration; and Mr. Michael Schlacta, Acting Deputy Assistant Inspector General for Regional Audits, appeared at the April 27th hearing to answer questions posed by Subcommittee members. Testimony was received from Mr. Kenneth T. Blaylock, President, and Mr. Daniel J. Kearney, National Vice President, of the American Federation of Government Employees; Mr. James Peirce, President of the National Federation of Federal Employees; Mr. Bun B. Bray, Executive Director of the Federal Managers' Association; Mr. Charles E. Joeckel, Assistant National Legislative Director, Disabled American Veterans; Mr. Donald H. Schwab, Director, National Legislative Service, Veterans of Foreign Wars of the United States, and Mr. Gabriel P. Brinskey, National Service and Legislative Director of AMVETS. The testimony received indicated grave concern about the proposed A-76 revisions and their impact upon the Department of Medicine and Surgery. In view of the concern of Subcommittee members and the testimony received during the April 27th hearing, language was included in Public Law 97-306 which precludes contracting out within the VA's Department of Medicine and Surgery for those services determined by the Chief Medical Director to be direct patient care or incident to direct patient care. The Administrator is authorized to enter into contracts for services not determined to be direct patient care or incident to direct patient care after considering the advice of the Chief Medical Director and the results of a cost comparison study. The cost comparison study must indicate that it would be at least 15 percent less expensive to contract for the service than to have it performed by Federal employees, and the Administrator must determine that health care services delivered at that facility will be maintained or enhanced by converting to contract performance of the service. The cost comparison study must be based on actual VA cost factors such as salaries, retirement and other fringe benefits for VA employees. Notification of Administrator's intention to conduct a cost comparison study and of a decision to contract for a service must be provided to the Committee on Veterans' Affairs prior to implementing either the study or contract.

The Subcommittee will continue oversight into contracting activities within the Department of Medicine and Surgery to ensure the intent of Congress concerning this issue is upheld.

IMPLEMENTATION OF TITLE IV OF PUBLIC LAW 95-202, RELATING TO WASPS AND SIMILARLY SITUATED GROUPS

Public Law 95-202 provided that service of any person as a member of the Women's Air Forces Service Pilots (WASPS) or the service of any person in any other similarly situated group, the members of which rendered service to the Armed Forces of the United States in a capacity considered civilian employment or contractual service at the time such service was rendered, shall be considered active duty personnel for purposes of laws administered by the Veterans' Administration if the Secretary of Defense reviews the historical records and other evidence and makes an affirmative determination that such service constituted active military service and issues to each member a discharge from service under honorable conditions.

Committee members expressed concern that the influx of new groups eligible for veterans' benefits might overload the Veterans' Administration's capacity to adequately provide for all veterans in these days of economic austerity. Additionally, the Subcommittee sought information as to the number of groups applying for benefits under P. L. 95-202. Testimony was received from Mr. John W. Hagan, Jr., Deputy Chief Benefits Director of the Veterans' Administration, Brigadier General Robert D. Caudry, Director of the Air Force Personnel Council, Mrs. Elaine D. Harmon, Chairman, Federal Benefits Committee, WASPS, and Mr. Donald Werth, a former Army Air Corps flight instructor. As of April 13, 1982, 9 groups were approved by the Secretary of Defense and 34 were disapproved. The Veterans' Administration indicated that the newly approved groups have placed no strain on the VA's capacity to adequately provide for all veteran beneficiaries. No further oversight activities are planned for this program in the 98th Congress.

THE CENTRALIZED DEVELOPMENT CENTER AND THE TARGET COMPUTER SYSTEM

On October 7, 1981 the Subcommittee met to receive testimony on the present status of the TARGET computer system contract between the Veterans' Administration and Honeywell, and overall VA data management recommendations and improvements including those recommendations made by the General Accounting Office in its July 1980 report entitled "VA Must Strengthen Management of ADP Resources to Serve Veterans' Needs." Additionally, the Subcommittee heard testimony on plans for the Centralized Development Center in Austin, Texas, Place/loan guaranty programs, improvements in ADP for the VA medical program and a nationwide information system.

Testimony was received from the Honorable J. J. Pickle, a Representative in Congress from the State of Texas; Mr. Jack Sharkey, Assistant Administrator for Data Management and Telecommunications, Veterans' Administration; Michael Zimmerman, Associate Director, Human Resources Division, General Accounting Office, and Mr. Robert Donaldson, Vice President, Federal Systems operation, Honeywell Information Systems.

Subsequent to the hearing, Subcommittee investigative staff inspected the 5 VA Data Processing Centers to obtain information on present and future plans for improving automatic data processing capabilities of the Veterans' Administration. In addition, Mr. Sharkey briefed the staff regarding the VA Central Office plans for improving the Data Processing Centers. The Subcommittee anticipates that further oversight hearings on the progress of VA's computer activities will be conducted during the 98th Congress.

RECRUITMENT AND RETENTION OF VA MEDICAL PERSONNEL, EFFECT OF BUDGET CONSTRAINTS ON HOSPITAL ADMITTING PRACTICES AND THE IMPACT OF OMB CIRCULAR A-76 ON THE DEPARTMENT OF MEDICINE AND SURGERY

On October 30, 1981 the Subcommittee held a hearing in Tuscaloosa, Alabama on the recruitment and retention of VA medical personnel, the effect of budget constraints upon hospital admitting practices and the impact of OMB Circular A-76 on the Department of Medicine and Surgery.

Testimony was received from Doctor Robert L. Slaughter, Chief of Staff, Veterans' Administration Medical Center (VAMC), Birmingham, Alabama; Mr. Floyd McNair, Director, VAMC, Montgomery, Alabama; Mr. Bernard Price, Director, VAMC, Tuscaloosa, Alabama, Mr. Lawrence Steward, Assistant Director, VAMC, Tuskegee, Alabama; Mr. Roy McGinnis, Director, State of Alabama Department of Veterans' Affairs; Mr. Gorden Shewmake, Commander, Department of Alabama, Veterans of Foreign Wars; Mr. Fredrick Schuler, Commander, Department of Alabama, The American Legion; Mr. Lewis McCray, National Executive Committeeman, The American Legion; Mr. William R. Wigley, Commander, Department of Alabama, Disabled American Veterans; Mr. Hollis Bridges, Senior Vice Commander, Department of Alabama, Disabled American Veterans; Mr. Roy Mitchell, Former Commander, Department of Alabama, Disabled American Veterans; Mr. Kenneth D. Goff, Chairman, The Mayor's Committee on the Handicapped of Tuscaloosa, Alabama and Senior Vice Commander of Chapter 80, Disabled American Veterans; Mr. Don Reed, Team Leader, VET CENTER, Birmingham, Alabama, and Mr. Charles Pendleton, President, American Federation of Government Employees, Local 131, Tuscaloosa, Alabama.

The Subcommittee concluded that Veterans' Administration Medical Centers in Alabama, as well as nationwide, were experiencing similar difficulties in recruiting nurses and shortfalls in operating funds. The witnesses also expressed concern about the impact of OMB Circular A-76 on the provision of quality medical care if Public Law 97-66, precluding cost comparison studies in the Department of Medicine and Surgery unless funds are specifically appropriated for such studies, had not been enacted. Continued oversight activities on these issues are contemplated during the 98th Congress.

ADMITTING PRACTICES IN TENNESSEE VA MEDICAL CENTERS AND THE QUALITY OF SERVICE RENDERED BY THE VA REGIONAL OFFICE IN TENNESSEE

On March 22, 1982, the Subcommittee held a hearing in Memphis, Tennessee, on admitting practices in Tennessee's Veterans' Administration Medical Centers, and the quality of service rendered by the VA Regional Office in Tennessee.

Testimony was received from Mr. Herbert S. Arnett, Director, Veterans' Administration Medical Center (VAMC), Memphis; Mr. Joseph C. Snelling, Director, VAMC, Mountain Home; Mr. Larry E. Deters, Director, VAMC, Nashville; Mr. Robert S. Pepiot, Director, VAMC, Murfreesboro; Mr. Robert S. Beilak, Director, VA Regional Office, Nashville; Mr. William H. Roden, Commissioner, Tennessee Department of Veterans' Affairs, Mr. B. H. Whitten, Commander, Department of Tennessee, Disabled American Veterans, Mr. Dan W. Jackson, President, Vietnam Veterans Association; Mr. David Doten, Past Commander, Department of Tennessee, Veterans of Foreign Wars, and Mr. Ron Lollar, County Service Officer, Shelby County, Tennessee.

The Subcommittee concluded that Veterans' Administration Medical Centers in Tennessee, as well as throughout the Nation, are experiencing difficulties in recruiting and retaining nurses and shortfalls in operating funds. The VA hospital directors stated that they were unable to compete with private sector salaries and benefits for nurses, and wre concerned about the impact of the aging World War II veteran population upon their facilities. Continued oversight of these problems will be required during the 98th Congress.

VETERANS' ADMINISTRATION PROGRAMS IN MONTANA

On June 19, 1982, the Subcommittee held a hearing in Helena, Montana on admitting practices and the quality of health care delivered by the Veterans' Administration in Montana, as well as the quality of service provided by the VA Regional Office at Fort Harrison. Testimony was also received on the concerns of Vietnam veterans, as well as Public Law 97-37, the Former Prisoner of War Benefits Act of 1981.

The Subcommittee desired to learn of the effectiveness of laws enacted by the Congress within the jurisdiction of the Committee on Veterans' Affairs, and to determine if Veterans' Administration programs in Montana were being administered as intended by the Congress. Testimony was received from agency officials, representatives of veterans' organizations, and public witnesses. Based upon testimony received, it appeared evident that there was dissension between veteran claimants and adjudication officials at the Fort Harrison Regional Office. Subsequent to the hearing, new adjudication officials were sent to Fort Harrison. This action appears to have resolved the dissension, and reassured Montana veterans that both Congress and the Veterans' Administration desire to provide quality service to all veterans.

STATUS OF COMPUTER PLANS AND APPLICATIONS IN THE DEPARTMENTS OF MEDICINE AND SURGERY AND VETERANS' BENEFITS

One of Administrator of Veterans' Affairs Robert Nimmo's first actions upon taking office was to set in motion an analysis and reexamination of Veterans' Administration overall automated data processing plans and programs. He placed a hold on all ADP activities. During this re-examining process, the Deputy Administrator, Mr. Charles T. Hagel, was designated as the VA's ADP executive and given overall charge and direction of the agencywide ADP review and reassessment.

As a result of the Administrator's reassessment, an executive order was issued by him on February 18, 1982 establishing a new policy for use and control of computers and ADP technology by the VA Department of Medicine and Surgery directing a new ADP policy which provides a decentralization of computers to VA hospital sites. The Administrator's executive order stated that the Chief Medical Director will have the overall responsibility for the implementation of computer decentralization in the Department of Medicine and Surgery and the Chief Medical Director was directed to establish a temporary project management task force as the VA Central Office organizational vehicle providing policy and guidance for the implementation of computer decentralization. The Office of Data Management and Telecommunications, under the executive order, was charged with the responsibility of assisting the Chief Medical Director in developing ADP systems for the Department of Medicine and Surgery. The Office of Data Management and Telecommunications retained responsibility for upgrading the TARGET computer system and other computer systems within the Department of Veterans' Benefits.

On March 24, 1982 the Subcommittee received testimony from Mr. Charles Hagel on the VA's new plan of decentralization, its impact upon future computer planning and upon the Office of Data Management and Telecommunications and its personnel. Mr. Hagel advised the Subcommittee that the Administrator's executive order directed to the Office of Data Management and Telecommunications that there be no further development or expansion of the APPLES pharmacy system. The order stated that equipment and other resources intended for the expansion of APPLES will be reprogrammed to support the new policy of medical computer decentralization. Testimony was also received from Mr. Jack Sharkey, Assistant Deputy Administrator for the Office of Data Management and Telecommunications, Veterans' Administration; Dr. Kenneth Dickie, Project Management Task Force, Department of Medicine and Surgery; Mr. John Mattingly, Special Assistant for ADP Activities, Department of Veterans' Benefits, and Mr. Danny Ball, Director, Data Processing Center, Hines, Illinois.

The Subcommittee members were pleased to learn that the Department of Medicine and Surgery ADP program would be decentralized and were encouraged that, as a result of decentralization, VA hospitals would receive their computers and computer programs at a much earlier date than would have occurred had the VA proceeded with a centralized medical information system. The Subcommitee intends to closely monitor the implementation of the decentralization plans.

ACTIVITIES OF THE DEPARTMENT OF MEDICINE AND SURGERY, THE SPECIAL MEDICAL ADVISORY GROUP, THE GENERAL POST FUND AND THE VETERANS' CANTEEN SERVICE

On May 12, 1982, the Subcommittee conducted an oversight hearing on the activities of the Special Medical Advisory Group; the status of the implementation of Public Law 96-330, section 115, relating to the composition of Deans' committees and the status of plans to monitor the affiliations of medical schools and Veterans' Administration hospitals; the impact of Public Laws 96-22 and 97-35 upon the VA dental services program, and to review the service and fiscal performance of the Veterans' Canteen Service and the General Post Fund.

The Chief Medical Director of the Veterans' Administration, Doctor Donald L. Custis, was the principal witness. He was accompanied by Dr. Albert J. Aaronian, Assistant Chief Medical Director for Dentistry; Mr. Joseph P. Travers, Director, Resource Management, Department of Medicine and Surgery, and Mr. Walter A. Nelson, Director of the Veterans' Canteen Service. Dr. Richard P. Schmidt, the Chairman of the Special Medical Advisory Group, reviewed the activities of his Group.

The Subcommittee was pleased to learn that the General Post Fund and the Veterans' Canteen Service are functioning as intended, and that the Special Medical Advisory Group continues to play a vital role in providing quality health care to veterans. Doctor Custis stated that the VA continues to provide quality dental care to veterans in spite of increased workloads resulting from Public Law 96-22, which provided new categories of dental beneficiaries including ex-prisoners of war and veterans with 100 percent service-connected disabilities. Dr. Custis assured the Subcommittee that the VA will continue to monitor the affiliation program between VA hospitals and medical schools to ensure that the medical schools do not dictate VA hospital policy.

ACTIVITIES OF THE VETERANS' ADMINISTRATION INSPECTOR GENERAL IN COMBATTING WASTE, FRAUD AND ABUSE, AND REVIEW OF VA DEBT COLLECTION EFFORTS

On June 9, 1982, the Subcommittee met to receive testimony from Mr. Frank S. Sato, Inspector General of the Veterans' Administration, concerning the efforts of his office to combat waste, fraud and abuse.

Mr. Sato advised the Subcommittee that between April 1981 and March 1982, the period covered by the last two semiannual reports to the Congress, 129 internal and 336 external audit reports were issued which represented some $156 million in costs avoided and $3 million in recoveries. Investigation activities resulted in slightly over $1 million in recoveries, fines and penalties, and $13 million in costs avoided. During this same period, 53 indictments and 40 convictions were obtained, and nearly 66,000 employed Federal personnel were identified as owing over $37 million in debts to the Federal Government. With collection efforts, that figure has now been reduced to 27,570 employees and the amount of indebtedness has been reduced to about $16.6 million.

Mr. John Pressley, Associate Deputy General Counsel of the Veterans' Administration, was designated by the Administrator of Veterans' Affairs as the agency debt collection official and is charged with the responsibility of identifying and coordinating the resolution of issues relating to debt collection. Mr. Pressley advised the Subcommittee that the bulk of debts owed the Veterans' Administration continues to result from participation in VA education benefit program. 1.4 million veterans are indebted to the Veterans' Administration for approximately $1 billion. Mr. Pressley stated that cash collections for fiscal year 1981 totaled $2.1 million, and that cash collections for the first two quarters of fical year 1982 were approximately $3.5 million.

The Subcommittee was advised that the VA will continue to place a high priority on debt collection, and was encouraged with the progress to date of the Veterans' Administration in implementing new procedures and detailing additional personnel to the debt collection efforts. Continued oversight of debt collection efforts will take place in the 98th Congress.

STATUS AND ACTIVITIES OF THE FEDERAL GOVERNMENT CONCERNING THE AGENT ORANGE STUDIES, AND THE VET CENTER PROGRAM

On September 15, 1982, the Subcommittee received testimony from Mr. Bart Kull, Special Assistant to the Deputy Under Secretary for Intergovernmental Affairs, Department of Health and Human Services and Alternative Chair, Agent Orange Working Group of the Cabinet Council on Human Resources; Major General

Murphy Chesney, Deputy Surgeon General, Department of the Air Force; Mr. Richard S. Christian, Chief, Army Agent Orange Task Force, Department of the Army; Doctor Donald L. Custis, Chief Medical Director of the Veterans' Administration, the Chair and Co-Chair of the State of Illinois Agent Orange Study Commission; Mr. John Sommer, Deputy Director, National Veterans Affairs & Rehabilitation Commission, The American Legion; Mr. Peter Currier, Deputy National Service/Legislative Director, AMVETS; Mr. Philip R. Mayo, Special Assistant National Legislative Service, Veterans of Foreign Wars, Mr. Leslie Platt, Special Counsel, Vietnam Veterans of America, and Mr. Lewis M. Milford of the National Veterans Law Center on the status and activities of the Federal government on the Agent Orange Studies, and the Veterans' Readjustment Counselling (VET CENTER) Program.

General Chesney advised the Subcommittee that the preliminary data on the Ranch Hand Study was expected by March, 1983.

Testimony of several witnesses indicated there was a growing concensus of dissatisfaction with the progress of the Veterans' Administration in approving the protocol for the first phase of the epidemiological study. Doctor Custis indicated that the Veterans' Administration was going to let a contract for the first phase of the study in December, after the peer review of the protocol was approved. Due to the concern of several Members with the lack of progress, Chairman Montgomery, as well as the Ranking Minority Member of the full Committee, the Hon. John Paul Hammerschmidt; and Chairman Ronald M. Mottl, Chairman of the Subcommittee on Hospitals and Health Care, wrote to the Administrator of Veterans' Affairs on September 27, 1982, urging that the study be turned over to the Center for Disease Control of the Department of Health and Human Services, rather than be contracted to a nongovernmental agency. On October 14, Administrator Nimmo advised Chairman Montgomery that he had requested that the Secretary of Health and Human Services arrange a meeting with VA officials and officials at the Center for Disease Control to arrange the assumption of responsibility for the conduct of the study by the Center for Disease Control. Due to the uncertainly of the direction of the study, it is recommended that additional hearings be conducted in the 98th Congress.

The Subcommittee also received testimony concerning the administrative operation of the Veterans' Readjustment Counseling (VET CENTER) program. Dr. Custis advised the Subcommittee that the VET CENTER program was now an independent professional service on the same administrative level as medical, surgical, nursing, prosthetics and other services, reporting directly to the Deputy Chief Medical Director for Professional Services. He stated that the Regional Coordinator's staff of the program had been strengtened in all the six VA medical regions, and that clear lines of authority and responsibility have been established from VET CENTERS to the Regional Coordinators to the Readjustment Counseling Service in Central Office. As a result of these actions, the Subcommittee believes that their concerns about the program have been alleviated.

SPECIAL OVERSIGHT SUBCOMMITTEE

EXPANSION OF THE AFFILIATION OF THE MURFREESBORO VA MEDICAL CENTER AND MEHARRY MEDICAL COLLEGE

Meharry Medical College in Nashville, Tennessee requested Federal assistance in securing a sound fiscal foundation and bolstering clinical resources needed for accreditation. In response to this request, President Reagan announced his intention to support Meharry Medical College through an expanded affiliation with the Veterans' Administration Medical Center in Murfreesboro.

Accordingly, Chairman Montgomery appointed the Honorable William Hill Boner of Tennessee, a Member of the Committee on Veterans' Affairs, as Chairman of a Special Oversight Subcommittee to receive testimony on a VA construction project at the VA Medical Center in Murfreesboro to provide facilities for the planned expansion of the affiliation with Meharry Medical College. The estimated cost of the construction project was $17 million. Public Law 96–22 provides that no appropriation shall be made for the construction, alteration or acquisition of any VA medical facility costing more than $2 million without the House and Senate Veterans' Affairs Committees having adopted resolutions approving the project.

The Special Oversight Subcommittee held a hearing on September 1, 1982 in Nashville, Tennessee. Testimony was received from VA officials, the president of Meharry Medical College, and veterans' service organizations. All witnesses favored the expanded affiliation and strongly supported it.

Subsequent to the hearing, the Committee on Veterans' Affairs approved the project and on September 28, 1982 Chairman Montgomery transmitted that approval to the Speaker of the House as required by law and requested it be added to the resolution forwarded to the Speaker on May 12, 1982.

ACTIVITIES OF THE SUBCOMMITTEE ON COMPENSATION, PENSION AND INSURANCE

There are nearly 5 million veterans, widows, children and parents who receive either compensation, dependency and indemnity compensation (DIC) or pension assistance from the Veterans Administration. Compensation, or DIC in the event of death, is predicated on service-connected disability or death. In the case of pension, the veteran or his survivors must meet a strict income means test to qualify for the payment. The number of veterans and their dependents receiving compensation, or dependency and indemnity compensation in the case of survivors, is more than 2.6 million. The totals were sharply increased as a result of the Vietnam War with its more than 300,000, veterans who were wounded in action in Southeast Asia and more than 55,000 who were killed on the battlefield or died of service-connected causes. As of October 1982, there were almost 2 million active VA non-service-connected pension cases.

There follows statistics prepared by the VA showing the average number of compensation and pension cases and costs.

AVERAGE NUMBER OF COMPENSATION CASES AND COSTS

[Dollars are in thousands]

	1969 actual	1970 actual	1971 actual	1972 actual	1973 actual	1974 actual	1975 actual	1976 actual	19TQ actual	1977 actual	1978 actual	1979 actual	1980 actual	1981 actual	1982 actual	1983 estimate
VETERANS																
Spanish-American War	49	38	30	23	16	11	11	8	7	4	3	4	3	2	2	2
Mexican border period				10	12	13	11	12	11	9	5	5	4	5	4	4
World War I	94,613	87,569	81,259	74,528	67,815	61,937	56,657	52,220	49,071	45,706	40,424	35,995	31,702	27,344	23,400	19,600
World War II	1,441,603	1,423,708	1,405,262	1,383,297	1,360,232	1,339,747	1,318,136	1,297,597	1,284,408	1,271,442	1,250,571	1,228,286	1,204,369	1,179,507	1,157,721	1,137,399
Korean conflict	235,086	237,912	239,204	239,971	240,488	240,573	240,034	239,834	239,693	239,385	238,783	237,695	236,296	234,652	233,673	232,695
Vietnam era	70,434	131,657	209,828	279,521	333,192	372,824	405,812	440,666	464,014	482,836	509,163	528,405	545,008	580,967	572,050	578,200
Peacetime service	181,314	184,020	184,630	188,779	190,668	191,896	193,226	194,793	196,842	201,723	214,789	231,117	260,837	273,233	297,000	322,500
Total	2,024,099	2,064,994	2,122,213	2,166,129	2,192,423	2,207,001	2,123,887	2,225,135	2,234,048	2,241,105	2,253,738	2,261,507	2,268,219	2,275,730	2,283,850	2,290,400
Average payment per case, per year	$1,060	$1,159	$1,286	$1,293	$1,420	$1,489	$1,715	$1,904	$483	$2,097	$2,252	$2,456	$2,891	$3,050	$3,417	$3,368
Total cost (in thousands)	$2,146,083	$2,392,737	$2,729,554	$2,801,572	$3,113,133	$3,285,411	$3,797,330	$4,236,598	$1,078,704	$4,700,497	$5,075,999	$5,554,098	$6,103,643	$6,941,719	$7,803,100	$7,713,007
SURVIVORS																
Prior to Spanish-American War	36	33	25	20	15	13	10	9	9	8	6	7	6	5	4	4
Spanish-American War	486	438	384	345	312	291	264	238	214	199	174	154	144	129	108	105
Mexican border period				1	2	2	3	3	3	3	3	3	2	1	1	1
World War I	38,512	37,732	37,076	37,109	36,825	36,164	35,358	34,699	34,211	33,570	32,460	31,522	30,644	29,385	28,307	27,200
World War II	219,629	213,947	208,426	206,123	202,817	198,350	191,099	190,099	187,439	185,183	181,183	177,916	174,773	171,344	168,100	164,900
Korean conflict	40,085	39,749	39,328	39,473	39,484	39,288	39,274	39,360	39,289	39,289	39,273	39.277	39,203	39,208	39,180	39,160
Vietnam era	24,493	32,075	37,735	42,161	45,959	49,187	52,348	55,818	57,886	59,564	61,796	63,411	64,740	66,199	67,700	69,000
Peacetime service	47,653	48,015	48,255	48,864	49,161	48,941	48,514	48,147	47,855	48,027	48,464	48,938	49,668	50,207	51,000	53,200
Total	370,894	371,989	371,229	374,096	374,575	372,236	369,862	368,373	366,906	365,843	363,370	361,178	358,180	358,479	364,400	353,570
Average payment per case, per year	$1,444	$1,598	$1,738	$1,870	$1,968	$2,042	$2,326	$2,595	$660	$2,858	$3,080	$3,366	$3,786	$4,306	$4,861	$4,904
Total cost (in thousands)	$535,754	$594,618	$645,319	$699,678	$737,343	$760,060	$860,167	$955,957	$242,304	$1,045,399	$1,119,204	$1,215,677	$1,359,714	$1,534,863	$1,722,700	$1,734,015

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AVERAGE NUMBER OF PENSION CASES AND COSTS

[Dollars are in thousands]

	1969 actual	1970 actual	1971 actual	1972 actual	1973 actual	1974 actual	1975 actual	1976 actual	19TQ actual	1977 actual	1978 actual	1979 actual	1980 actual	1981 actual	1982 actual	1983 estimate
VETERANS																
Prior to Spanish-American War	2	2	1	1	1											
Spanish-American War	6,252	4,830	3,802	2,877	2,159	1,583	1,164	827	642	508	349	238	162	106	85	60
Mexican border period			11	366	476	427	387	352	330	312	268	230	203	163	131	92
World War I	782,458	717,772	652,134	594,193	531,408	487,062	406,290	349,238	318,755	294,055	256,338	215,594	180,435	152,545	132,590	114,425
World War II	325,346	356,339	393,438	445,417	495,136	525,409	554,618	592,046	620,944	645,208	676,877	686,826	664,495	640,852	618,570	604,680
Korean conflict	22,434	24,952	28,371	33,394	38,866	43,534	48,721	55,569	61,119	66,219	74,178	79,380	80,236	81,680	82,375	83,095
Vietnam era	576	1,106	1,877	2,943	4,224	5,378	6,686	8,221	9,443	10,827	13,028	14,730	15,491	16,722	17,235	17,635
Peacetime service	111	100	90	77	68	55	45	38	36	33	28	24	20	17	14	13
Total	1,137,179	1,105,103	1,079,724	1,079,268	1,072,338	1,043,448	1,017,911	1,006,291	1,011,268	1,017,162	1,021,066	997,022	941,042	892,085	851,000	820,000
Average payment per case, per year	$1,159	$1,228	$1,284	$1,368	$1,377	$1,414	$1,545	$1,644	$410	$1,807	$1,887	$2,157	$2,367	$2,693	$2,977	$3,218
Total cost (in thousands)	$1,317,919	$1,357,113	$1,386,342	$1,476,626	$1,476,661	$1,475,547	$1,572,884	$1,554,315	$417,385	$1,838,462	$1,926,998	$2,150,311	$2,227,079	$2,402,185	$2,533,500	$2,638,550
SURVIVORS																
Prior to Spanish-American War	1,281	1,098	951	817	696	588	504	434	398	359	317	283	246	215	189	172
Spanish-American War	47,274	43,661	39,366	35,665	32,126	29,028	25,824	23,056	21,338	19,790	17,565	15,649	13,827	12,169	10,940	9,468
Mexican border period			4	228	423	499	529	566	579	588	601	583	642	508	443	407
World War I	577,904	590,825	597,898	612,088	169,828	605,670	586,463	73,032	562,958	555,538	540,913	513,127	476,893	447,919	429,910	418,980
World War II	420,971	448,821	474,917	503,931	526,678	529,777	529,319	14,620	547,574	563,411	571,134	556,436	515,596	485,669	442,640	405,520
Korean conflict	50,529	57,917	65,881	74,430	82,546	88,484	93,266	79,322	102,253	106,432	110,024	106,295	95,589	86,900	85,300	83,415
Vietnam era	1,124	2,462	4,648	7,011	9,929	12,372	15,018	18,546	21,266	23,767	27,862	29,555	28,342	27,304	25,570	25,030
Peacetime service	18	16	16	17	15	13	13	9	8	8	8	8	10	8	8	8
Total	1,099,101	1,144,798	1,183,501	1,234,187	1,272,241	1,266,431	1,250,937	1,259,586	1,256,368	1,269,893	1,268,447	1,221,936	1,132,145	1,060,692	995,000	943,000
Average payment per case, per year	$773	$793	$814	$863	$863	$863	$922	$973	$242	$1,014	$1,050	$1,147	$1,209	$1,305	$1,421	$1,472
Total cost (in thousands)	$849,216	$907,434	$963,656	$1,065,583	$1,097,847	$1,092,989	$1,153,096	$1,226,101	$303,917	$1,288,117	$1,331,359	$1,402,098	$1,369,068	$1,384,138	$1,413,800	$1,388,207

These statistics are further broken down by age category as well as average annual expenditure per case.

DISABILITY, DEATH: NUMBER OF CASES, AMOUNT, PERIOD OF SERVICE

Period of service	Number of cases Sept. 1981	Average annual expenditure per case		Total expenditures (in thousands)	
		Sept. 1980	Sept. 1981	Fiscal year 1981	Cumulative through Sept. 1981
Grand total	4,535,285	2,369.71	2,683.68	12,225,027	188,662,266
Living veterans	3,154,029	2,599.80	2,931.96	9,319,207	...
Service connected	2,279,070	2,668.99	3,010.53	6,937,798	...
Retired Reserve or Emergency Officers	160	6,650.76	7,501.95	1,224	515,699
Non-service connected	874,783	2,428.31	2,726.48	2,380,181	...
Special acts	16	236.57	253.50	4	...
Deceased veterans	1,381,256	1,862.93	2,116.75	2,905,820	...
Service connected	355,011	3,801.32	4,368.94	1,534,942	...
Non-service connected	1,026,228	1,227.98	1,337.67	1,370,875	...
Special acts	17	203.29	208.94	3	...
Civil War	165	1,150.81	1,122.84	193	8,223,019
Deceased veterans	165	1,150.81	1,122.84	193	...
Service connected	4	3,792.00	3,966.00	15	...
Non-service connected	158	1,093.90	1,067.62	178	...
Special acts	3	240.00	240.00	...	...
Indian wars	38	1,210.40	1,153.89	41	119,060
Deceased veterans	38	1,210.40	1,153.89	41	58,634
Service connected	...	...	...	...	...
Non-service connected	38	1,210.40	1,153.89	41	...
Spanish-American War	11,538	1,439.81	1,562.95	17,709	5,276,916
Living veterans	86	2,948.09	3,359.44	354	3,372,754
Service connected	1	4,744.00	12,936.00	30	...
Non-service connected	85	2,908.18	3,246.78	324	...
Deceased veterans	11,452	1,424.00	1,549.46	17,352	1,904,162
Service connected	120	4,386.31	4,970.80	589	...
Non-service connected	11,326	1,393.40	1,513.90	16,762	...
Special acts	6	228.00	244.00	1	...
Mexican border service	644	1,382.78	1,429.94	1,010	10,865
Living veterans	156	2,412.98	2,560.38	444	6,235
Service connected	5	3,187.20	1,012.80	46	740
Non-service connected	151	2,392.72	2,611.63	398	5,474
Deceased veterans	488	1,001.08	1,068.60	566	4,596
Service connected	1	4,404.00	5,028.00	7	92
Non-service connected	487	988.16	1,060.44	559	4,504
World War I	629,548	1,682.81	1,821.11	1,158,949	46,436,586
Living veterans	166,497	2,669.33	2,956.54	505,253	31,559,951
Service connected	25,417	3,403.07	3,821.24	99,766	10,260,034
Retired emergency officers	160	6,640.68	7,501.95	1,220	189,955
Non-service connected	140,919	2,535.08	2,795.44	404,267	21,109,963
Special acts	1	120.00	120.00	...	...
Deceased veterans	463,051	1,288.34	1,422.36	653,696	14,876,035
Service connected	28,731	4,241.03	4,851.67	141,160	3,595,986
Non-service connected	434,320	1,096.75	1,195.51	512,536	11,280,649
World War II	2,441,702	2,307.12	2,606.34	6,363,532	89,454,583
Living veterans	1,800,760	2,461.99	2,775.40	5,027,073	68,689,073
Service connected	1,167,481	2,535.52	2,871.33	3,392,715	53,612,553
Non-service connected	633,279	2,328.32	2,598.55	1,634,358	15,076,520
Deceased veterans	640,942	1,879.82	2,131,35	1,336,459	20,765,509
Service connected	169,791	3,465.11	4,005.57	651,066	11,618,295
Non-service connected	471,151	1,327.18	1,455.93	685,393	9,147,214
Korean conflict	437,864	2,691.16	3,073.37	1,360,455	14,580,329
Living veterans	316,758	2,976.61	3,383.43	1,079,181	10,993,078
Service connected	233,820	3,013.14	3,393.48	804,521	9,338,959
Non-service connected	82,938	2,870.36	3,355.09	274,660	1,654,119

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DISABILITY, DEATH: NUMBER OF CASES, AMOUNT, PERIOD OF SERVICE—Continued

Period of service	Number of cases Sept. 1981	Average annual expenditure per case		Total expenditures (in thousands)	
		Sept. 1980	Sept. 1981	Fiscal year 1981	Cumulative through Sept. 1981
Deceased veterans	121,106	1,990.10	2,262.41	281,274	3,587,251
Service connected	39,192	3,566.92	4,105.33	162,774	2,051,936
Non-service connected	81,914	1,301.66	1,380.66	118,500	1,535,315
Regular establishment	334,492	3,079.73	3,417.19	1,149,531	10,646,217
Living veterans	284,127	2,827.98	3,130.83	892,543	7,682,910
Service connected	284,112	2,828.18	3,130.98	892,535	
Retired Reserve Officers		8,484.00		4	325,745
Special acts	15	242.40	262.40	4	
Deceased veterans	50,365	4,398.67	5,032.67	256,988	2,963,307
Service connected	50,357	4,399.36	5,033.44	256,986	
Special acts	8	171.00	171.00	2	
Vietnam era	679,294	2,795.32	3,162.93	2,173,881	13,720,480
Living veterans	585,645	2,708.80	3,065.74	1,814,361	11,211,926
Service connected	568,234	2,695.54	3,042.44	1,748,186	10,937,775
Non-service connected	17,411	3,165.77	3,825.85	66,175	274,151
Deceased veterans	93,649	3,324.25	3,770,72	359,250	2,508,285
Service connected	66,815	4,172.77	4,737.50	322,344	2,235,155
Non-service connected	26,834	1,336.01	1,363.50	36,906	273,130

DISABILITY AGE GROUP, PERIOD OF SERVICE—SEPTEMBER 1981

Age group	Grand total			World War I			World War II		
	Total [1]	Service-connected	Non-service-connected	Total	Service-connected	Non-service-connected	Total	Service-connected	Non-service-connected
Average age	57.8	54.6	66.2	86.4	85.8	86.5	63.1	62.2	64.6
Total veterans	3,154,013	2,279,070	874,783	166,336	25,417	140,919	1,800,760	1,167,481	633,279
Under 20	151	151							
20 to 24	20,631	20,570	61						
25 to 29	77,908	75,915	1,993						
30 to 34	224,744	218,098	6,646						
35 to 39	155,275	148,891	6,384						
40 t0 44	102,046	98,932	3,114						
45 to 49	190,239	160,611	29,628						
50 to 54	302,014	227,827	74,187				58,670	29,141	29,529
55 to 59	603,668	456,447	147,221				530,047	388,615	141,432
60 to 64	634,176	465,807	168,369				579,772	412,524	167,248
Under 65	2,310,852	1,873,249	437,603				1,168,489	830,280	338,209
65 to 69	369,276	234,096	135,180				343,871	209,313	134,558
70 to 74	209,323	106,547	102,776				198,628	96,111	102,517
75 to 79	72,657	29,705	42,952	410	54	356	67,328	24,785	42,543
80 to 84	61,766	16,022	45,730	38,862	7,953	30,909	20,475	5,705	14,770
85 to 89	106,955	16,477	90,372	104,597	14,889	89,708	1,599	1,029	570
90 to 94	21,617	2,647	18,937	21,202	2,338	18,864	208	161	47
95 and over	1,567	327	1,233	1,265	183	1,082	162	97	65
65 and over	843,161	405,821	437,180	166,336	25,417	140,919	632,271	337,201	295,070

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[1] R.E.O. and R.R.O. included in grand total but not in service connected and nonservice grand totals.

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Age group	Korean conflict			Vietnam era			Regular establishment	Spanish-American War[1]	Mexican border service[1]	R.E.O. and R.R.O.[2]
	Total	Service-connected	Non-service-connected	Total	Service-connected	Non service-connected				
Average age	52.4	53.0	50.8	38.7	38.9	34.8	45.1	101.0	86.7	87.7
Total veterans	316,758	233,820	82,938	585,645	568,234	17,411	284,112	86	156	160
Under 20							151			
20 to 24				913	852	61	19.718			
25 to 29				48,835	46,842	1,993	29,073			
30 to 34				215,327	208,681	6,646	9,417			
35 to 39				134,067	127,683	6,384	21,208			
40 to 44	1,853	650	1,203	42,337	40,426	1,911	57,856			
45 to 49	88,464	59,112	29,352	47,604	47,328	276	54,171			
50 to 54	162,545	117,965	44,580	46,451	46,373	78	34,348			
55 to 59	31,970	26,216	5,754	24,394	24,359	35	17,257			
60 to 64	17,141	16,035	1,106	18,057	18,042	15	19,207			
Under 65	301,973	219,978	81,995	577,985	560,586	17,399	262,405			
65 to 69	8,460	7,845	615	6,196	6,189	7	10,749			
70 to 74	3,943	3,688	255	1,179	1,175	4	5,573			
75 to 79	1,530	1,478	52	259	258	1	3,130			
80 to 84	600	586	14	26	26		1,752		37	14
85 to 89	215	210	5				344		94	106
90 to 94	32	30	2				118		24	33
95 and Over	5	5					41	86	1	7
65 and over	14,785	13,842	943	7,660	7,648	12	21,707	86	156	160

[1] Service connected and non-service connected are combined in S.A.W. and Mexcian Border service.

[2] Emergency, provisional, probationary, temporary or reserve officers in receipt of retired pay under Public Law 2-73, 743, 262-77 or 351-81.

The Veterans Administration administers 5 life insurance programs for the benefit of servicepersons, veterans and their beneficiaries and oversees the administration of a sixth. There follows a chart on the different life insurance programs as well as a general explanation.

[In thousands]

Program	Fiscal year—		Percent change
	1981	1980	
USGLI:			
Policies	91	99	−8.1
Amount	$368,784	$404,926	−8.9
Death benefits	$31,943	$32,910	−2.9
NSLI: [1]			
Policies	3,481	3,579	−2.7
Amount	$24,056,246	$24,596,423	−2.2
Death benefits	$345,884	$338,636	+2.1
VSLI: [1]			
Policies	523	533	−1.9
Amount	$4,604,899	$4.682,545	−1.7
Death benefits	$19,887	$18,525	+7.4
SDVI:			
Policies	191	189	+1.1
Amount	$1,728,016	$1,711,415	+1.0
Death benefits	$18,468	$17,774	+3.9
VRI: [1]			
Policies	164	167	−1.8
Amount	$1,136,535	$1,161,620	−2.2

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Program	Fiscal year—		Percent change
	1981	1980	
Death benefits	$14,801	$14,282	+3.6
SGLI:			
Policies	3,209	3,178	+1.0
Amount	$63,930,890	$63,341,689	+0.9
Death benefits	$86,771	$88,634	−2.1
VGLI:			
Policies	443	484	−8.5
Amount	$8,732,385	$9,541,195	−8.5
Death benefits	$23,210	$27,938	−16.9
VMLI:			
Policies	6	6	....
Amount	$162,323	$152,880	+6.2
Death benefits	$5,275	$4,398	+19.9

[1] Includes paid-up additional insurance purchased by dividends.

Program	Abbreviated reference	Policy prefix letter	Program beginning	Ending date of new issues
U.S. Government life insurance.	(USGLI)	K	Jan. 1, 1919	Apr. 24, 1951.
National service life insurance.	(NSLI)	V H	Oct. 8, 1970 Aug. 1, 1946	Apr. 24, 1956 Dec. 31, 1949.
Veterans special life insurance.	(VSLI)	RS, W	Apr. 25, 1951	Dec. 31, 1956.
Service disabled veterans insurance.	(SDVI)	RH	Apr. 25, 1951	Open.
Veterans reopened insurance.	(VRI)	J, JR, JS	May 1, 1965	May 2, 1966.
Servicemen's group life insurance.	(SGLI)		Sept. 29, 1965	Open.
Veterans mortgage life insurance.	(VMLI)		Aug. 11, 1971	Open.
Veterans group life insurance.	(VGLI)		Aug. 1, 1974	Open.

SUMMARY

Life insurance protection for the nation's service personnel and veterans is provided under five separate programs administered by the VA and three programs supervised by the VA.

The first five programs shown in the table are entirely VA administered and the latter three are supervised through a contractual relationship with private companies. The SGLI and VGLI programs are administered by the Prudential Insurance Company of America, Newark, New Jersey, and the VMLI program by the Bankers Life Insurance Company of Lincoln, Nebraska.

At the end of FY 1981 these eight programs provided coverage exceeding $104 billion to over 7.7 million insureds.

GOVERNMENT ADMINISTERED PROGRAMS

UNITED STATES GOVERNMENT LIFE INSURANCE (USGLI)

This is the oldest government administered insurance program, established in 1919 to handle the conversion of World War I Risk

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Term Insurance. At the end FY 1981, 91,000 of these policies remained in force, a decline of approximately 8 percent from the previous year. The program is self-supporting except for administrative expenses, and claims traceable to the extra hazards of military service, which are paid by the government. There has been a steady decline in the number of policyholders which will continue to accelerate as the average age of these insureds is now over 77 years. Dividends are paid to USGLI policyholders from excess earnings of the trust fund. The 1981 dividend payments will average $296 per insured, compared to $298 in 1980.

NATIONAL SERVICE LIFE INSURANCE (NSLI)

This program was established October 8, 1940 to serve the insurance needs of World War II service personnel. By the end of FY 1981. 3.5 million of these policies remained in force with a face value of $24.1 billion. The program is also self-supporting except for administrative expense and claims traceable to the extra hazards of military service, which are paid by the government. The 1981 dividend payments from the excess earnings of the trust fund averaged nearly $168 per insured compared to $149 last year.

Approximately 33 percent of the NSLI policies are term insurance renewed every five years at the current attained age; premiums increase with each renewal. As the policyholders grow older, the premiums can become prohibitive, causing many to reduce the face amount of their policies. The VA makes continuous efforts to alert term policyholders about the high premium rates if they retain these policies to the older ages and encourages them to convert to a permanent plan of insurance.

Legislation establishing the Modified Life Age 65 and Age 70 plans of insurance has been beneficial to the term policyholders as the premium rates are lower than for any previous plans in existence. As of September 30, 1981, there were nearly 450,000 Modified Life policies in force with a face value of over $3 billion.

NSLI policyholders may use dividends to buy more insurance as paid-up additions to their policy, permitting policyholders to have more than $10,000 of government life insurance in force. A total of 804,000 policies have paid-up additions with a face value over $1.5 billion, an increase of 15 percent over 1980.

VETERANS SPECIAL LIFE INSURANCE (VSLI)

This insurance program was made available within 120 days following separation to veterans separated from service on or after April 25, 1951 through December 31, 1956. VSLI was a means of providing post-service government life insurance for Korean conflict veterans for whom there was no premium paying insurance during service. The government provided insurance protection with a $10,000 Servicemen's Indemnity. During the stated period, about 800,000 policies were issued, of which 523,000 remained in force on September 30, 1981, with a face value of $4.6 billion. Initially, only renewable term insurance was available. Effective January 1, 1959, legislation modified this program to permit exchange to a lower cost term policy which was nonrenewable after age 50, or to permit conversion to a permanent plan of insurance. This program was originally nonparticipating (no dividends payable), but Public Law 93-289, effecive May 24, 1974, changed this insurance to participating. The 1981 dividend payments will amount to $34 million. The payments will average $67 per insured compared to $62 in 1980. A total of 100,000 policies have paid-up additions with a face value of nearly $56 million.

SERVICE DISABLED VETERANS INSURANCE (SDVI)

The only government administered insurance program remaining open to new issues, SDVI was designed to assure that service disabled veterans could obtain life insurance at standard rates. Every veteran separated from service on or after April 25, 1951, who receives a service connected disability rating for which compensation would be payable if 10 percent or more in degree, and who is otherwise insurable, has one year from the date of notice of the VA rating to apply for this coverage. The VA makes a special effort to assure that all eligible veterans are made aware of this coverage, by issuing a notice of eligibility at the time a VA service connected rating is granted; a reminder notice is sent about six months later. In addition, the program is publicized through veterans' organizations and periodic information releases to the press and radio and television stations. Since the program insure substandard risks at standard premium rates, it is not self-supporting and requires periodic appropriations to meet the costs. At the end of FY 1981 there were approximately 191,000 policies in force with a face value of nearly $1.7 billion.

VETERANS REOPENED INSURANCE (VRI)

This program was a limited reopening of National Service Life Insurance for certain disabled World War II and Korean conflict veterans who because of their disability, would be unable to obtain commercial life insurance or could not obtain it at a reasonble cost. Applications for this insurance were accepted from May 1, 1965 through May 2, 1966. About 210,000 policies were issued of which 164,000 remained in force at the end of FY 1981 with a face value over $1 billion. The Administrator may adjust premium rates up or down at intervals of not less than two years to keep the program self-supporting.

Public Law 96-128, enacted in 1979, makes all Veterans Reopened Insurance policies participating, with dividends payable for the first time in 1980. Dividends are paid to VRI policyholders from excess earnings of the fund. The 1981 dividend payments averaged $96 per insured compared to $94 in 1980.

TOTAL DISABILITY INCOME PROVISION (TDIP)

This is an optional rider that an insured may add to the basic policy to provide a monthly income in case of disability. By paying an extra premium and meeting the age and good health requirements, this rider may be added to any government administered policy except SDVI.

TDIP provides a monthly benefit of $5.75 per $1,000 of USGLI insurance for total disability, and as of September 30, 1981, nearly

2,400 riders were in force with a face value of $17.6 million. TDIP riders have been issued on NSLI policies under three different versions of the law. Under the original provisions, these riders paid $5 per $1,000 of insurance with coverage to age 60. Subsequent changes first increased the payment to $10 per $1,000 of insurance with coverage up to age 60 and later extended the coverage to age 65. The table shows the modifications to the law affecting NSLI policies and the current status of these three riders.

Effective date of modification	Monthly income per 1,000 of insurance	Coverage to age	In force as of Sept. 30, 1981	
			Number of policies	Amount of insurance (in thousands)
Aug. 1, 1946	$5	60	8,830	$64,465
Nov. 1, 1958	10	60	101,215	744,638
Jan. 1, 1965	10	65	423,449	3,366,416

DEATH CLAIM SETTLEMENT UNDER OPTION 2

Under this option insurance proceeds are paid to the beneficiary in a specified number of equal monthly installments, ranging in number from 36 to 240. As a result of Public Law 96-128, the Administrator has the authority to adjust the amount of monthly income paid to beneficiaries under Settlement Option 2. These adjustments will be made based on the investment earnings on the reserve held to make future payments. Beginning in December 1979, these monthly payments were increased for the first time. The guaranteed rates range from 2.5 percent to 3.5 percent. In 1981 the actual rates paid ranged from 6.5 percent to 7.5 percent. The payments will never be lower than the guaranteed payments shown in the life insurance policy.

GOVERNMENT SUPERVISED PROGRAMS

SERVICEMEN'S GROUP LIFE INSURANCE (SGLI)

This program, which provides insurance coverage for members of the uniformed services, is supervised by the VA, but administered by the Prudential Insurance Company of America as primary insurer through the Office of Servicemen's Group Life Insurance, Newark, New Jersey. During FY 1981, 363 other commercial companies also participated in the SGLI program on a reinsurer/converter or converter only basis. By the end of FY 1981, over 3 million active duty service personnel and reservists were insured in the amount of $64 billion, and death benefits paid during the year amounted to $87 million compared to $89 million for FY 1980.

Effective December 1, 1981, the maximum coverage is $35,000 and the serviceperson is automatically insured for this amount in the absence of a written request for less ($30,000; $25,000; $20,000; $15,000; $10,000; or $5,000), or no coverage. Coverage was previously limited to $20,000. Full-time or part-time SGLI coverage is available to certain members of the Reserve, National Guard, and ROTC. Members in the four service academies (U.S. Military Academy, U.S. Naval Academy, U.S. Air Force Academy, and U.S. Coast Guard Academy) as well as uniformed members of the Public Health Service and National Oceanic and Atmospheric Administration are entitled to full-time coverage.

VETERANS GROUP LIFE INSURANCE (VGLI)

This program, which provides for the conversion of SGLI to a 5-year nonrenewable term policy, was designed to provide low cost insurance immediately following separation or release from service. Prior to establishment of the VGLI program, SGLI could be converted directly to an individual policy with one of the participating commercial companies immediately upon separation from service. Studies had shown that very few veterans were taking advantage of the conversion privilege, possibly due to limited income immediately after service, completion of schooling, or lack of family responsibility. VGLI was therefore designed to provide low cost protection during the period of transition into civilian life.

This group coverage was effective August 1, 1974, and as of December 1, 1981, became available in multiples of $5,000, up to $35,000, but for not more than the amount of SGLI which was in force at the time of separation. VGLI has no cash, loan, paid-up or extended insurance values, but can be converted to a permanent policy with one of the participating companies at the end of the five-year period. As of September 30, 1981, 443,000 veterans were insured for nearly $8.8 billion.

Shortly following release from duty, all eligible veterans receive an informational pamphlet and an application for VGLI from the VA.

This program is also available to reservists who, while performing active or inactive duty for training under a call or order specifying a period of less than 31 days, suffer an injury or disability which renders them uninsurable at standard premium rates.

VETERANS MORTGAGE LIFE INSURANCE (VMLI)

This program is supervised by the VA, administered by the Bankers Life Insurance Company of Lincoln, Nebraska, and provides mortgage protection life insurance to a maximum of $40,000 for any veteran who receives a VA grant for specially adapted housing, unless he or she declines, fails to furnish information to establish the premium, or does not pay the premium. Any unused portion is transferable to a subsequent home mortgage after the preceding one is disposed of, and coverage ceases when the mortgage is paid off, the home is sold, or the veteran reaches age 70.

The monthly premium paid by the disabled veteran is the same as that charged for standard lives, with the government paying the extra mortality costs and administrative expenses. The premiums collected under this program are not sufficient to pay claims and the deficit is made up by transfers from the compensation and pension appropriation.

As of September 30, 1981, there were nearly 6,000 VMLI policyholders; death benefits paid during the fiscal year totaled over $5 million.

LEGISLATIVE AND OVERSIGHT ACTION

Eleven hearings, including two mark-ups reporting legislation, were held by the Subcommittee during the 97th Congress. The subjects included both legislative and oversight matters. These resulted in the enactment of two public laws, Public Law 97-66 and Public Law 97-306. Overall, the provisions contained therein are diverse in nature and the result is a composite of many pieces of legislation. These two Acts affect virtually all of the programs over which the Subcommittee has jurisdiction.

COMPENSATION

Historically, the Subcommittee has always felt that the Nation's first responsibility is to those veterans who were disabled in wartime service and to the survivors of veterans who died of service-connected causes.

PL. 97-66, which became effective October 1, 1981, provided an average 11.2 percent cost-of-living increase in service-connected benefits for those most deserving class of recipients. This increase was in conjunction with the Administration's proposed budget recommendations and within the Budget Committee's established targets. The different percentages of increases authorized reflected the Subcommittee's efforts to meet the basic purpose of compensating for the loss of earning capacity. To that end, PL 97-66 rectified former rounding off inequities and at the same time provided that veterans with greater disabilities received a larger proportionate share of the increase. Higher statutory awards for severely disabled veterans experienced an increase of 11.2 percent as did all DIC recipients. Additionally, the statutory award designation payable to veterans who suffer the service-connected loss or loss of use of both upper extremities was increased by one full step.

Public Law 97-306 became effective October 1, 1982 and provided a 7.4 percent across-the-board cost-of-living increase in service-connected benefits. This adjustment was in conjunction with the Administration's revised budget proposal and within the Budget Committee's established targets.

Additionally, this law made adjustments in the benefit levels for certain blinded veterans with multiple disabilities. It also provided senior ROTC members with eligibility for Veterans' Administration benefits if injured during summer training. Prior law afforded VA benefits via Dependency and Indemnity Compensation (DIC) to survivors if the ROTC member was killed during summer camp, but the member could not receive compensation from VA if he was "merely injured". This Act therefore corrected that inequity.

Inasmuch as service-connected benefits currently account for approximately $10 billion of the total VA budget and is considered to be one of the most important benefits administered by the Veterans Administration, it is a matter over which the Subcommittee maintains close scrutiny. The 97th Congress proved no exception and the majority of the Subcommittee's activity focused on these programs. Legislative hearings were held on March 18, 1981 and on April 22, 1982. Oversight hearings were held on May 12, 1981 and again on October 27, 1981.

INSURANCE

The concept of government life insurance at its inception in 1917 was to make life insurance protection available to the uniformed services at a reasonable cost in view of the fact that commercial insurance companies either refused to insure the lives of men subject to wartime risk through a war clause or were charging prohibitive premiums for waiving the clause. It is not surprising, therefore, that the Veterans Administration operates one of the largest life insurance programs in the nation. It administers and supervises insurance programs providing approximately $151 billion in insurance protection to over 7.7 million veterans.

The passage of PL 97-66 effected these changes in existing programs:

(1) Maximum coverage in Servicemen's Group Life Insurance (SGLI) and in Veterans' Group Life Insurance (VGLI) for active duty personnel, reservists and certain eligible veterans was increased from $20,000 to $35,000. This ceiling represented the approximate level necessary to sustain the value of the insurance protection because living costs have escalated nearly 65% since the $20,000 maximum protection level was established in 1974.

(2) The Act further assigned responsibility to the Secretary of Defense for ensuring timely collection of SGLI premiums for eligible Ready Reservists. Though this insurance program is in sound financial condition despite an existing premium delinquency problem among reservists, this guarantees that the premium paying burden is shared by all the individuals who choose to have this protection.

(3) Lastly, GI insurance may now be paid in a lump sum when an insured veteran fails to designate a method of payment. Previously, payment of proceeds could not be made in less than 36 monthly payments under the statutory provisions governing the settlement of NSLI and USGLI 38 U.S.C. § 717m 751 and 752.

The need for this legislation was demonstrated during the hearings held on April 8, 1981.

A hearing held on March 25, 1982 brought the Subcommittee up to date on the implementation of the provisions of Public Law 97-66. It was reported that significant strides had been made with respect to timely collection of premiums from reservists for SGLI coverage.

The hearing also looked into the possibility of again increasing maximum coverage in view of 1981 limitations on social security death benefits and as overall being more responsive to a servicemember's insurance needs by permitting better structuring of estate plans. Although such a proposal was not acted upon during the 97th Congress, this subject may again be under consideration during the 98th Congress.

The March 25, 1982 hearing further considered legislation recommended by the Veterans Administration which would prevent escheat of unclaimed Servicemen's Group Life Insurance proceeds to a State and removes the bar against payment of Servicemen's Group Life Insurance (SGLI) and Veterans' Group Life Insurance (VGLI) proceeds in the event a claim is filed more than four years after the insured's death. This proposal was incorporated into Public Law 97-306.

Finally, it should be noted that this hearing revealed the fact that the United States Government Life Insurance (USGLI) was not only very solvent but had enough funds to assure that premiums would no longer be required to safely run this insurance program. Last year for instance, the agency took in $4 million in USGLI premiums from veterans and paid out $24 million in dividends. The policy of waiving premiums for this category of policyholders is scheduled to go into effect January 1, 1983.

AUTOMOBILE ASSISTANCE ALLOWANCE

Veterans who have suffered the service-connected loss or loss of use of one or both feet or hands or industrial blindness are entitled to a one-time VA grant to assist in purchasing an automobile. Public Law 97-66 increased this allowance from $3,800 to $4,400 to help insure that the value of this benefit keeps pace with inflation.

In addition to the one time automobile assistance allowance, the Veterans Administration assists veterans in bearing the cost of the adaptive equipment they need in order to operate the motor vehicle including replacement value. Public Law 97-66 extended eligibility for automobile adaptive equipment in certain cases to service-connected disabled veterans who suffer from ankylosis of the hip or knee if the State automobile licensing authorities and the Chief Medical Director of the Veterans Administration determine that such equipment is necessary.

PENSION

Public Law 95-588 which became effective January 1, 1979, indexed future cost-of-living increases to the same indicator governing payment of social security (CPI).

The goal of the improved pension program to assure that pension dollars went to those most in need and in an amount to make some difference in their ability to cope with the needs of life has been well realized. Prior to the enactment of this law, the maximum to which a single veteran without income was entitled was $197 monthly. The maximum allowable to a veteran with one dependent in a similar financial circumstance was $212. These figures were changed to $295 and $387 respectively with the advent of Public Law 95-588. Four subsequent cost-of-living adjustments have increased these figures to $444 and $582.

The most recent data available shows the average payment under the current pension program for some 575,000 pensioners slightly in excess of $344 monthly, whereas the average old pension program beneficiary is in receipt of $101 monthly. Elections to the new program are received monthly. October 1982 statistics indicate an additional 10,143 pensioners coming onto the rolls that month at an average monthly benefit of $312.

Though the pension program is basically self-operating, it continues to be the subject of the Subcommittee's oversight.

Protected pensioners under the age of 72 and all pensioners receiving benefits under the improved program are required to submit income questionnaires. More than one million are dispatched each year and processed at the VA Center in Philadelphia. Each year, staff members of the Subcommittee visit Philadelphia to monitor this activity.

It should be noted that Public Law 97-66 impacted this program by preventing certain veterans from losing pension while undergoing rehabilitation at a VA Medical facility.

MISCELLANEOUS

Veterans' Administration Organization Staffing Levels

PL 97-66 assured the availability of appropriations and of funded personnel ceilings by clarifying the intent of Congress in PL 96-151 that the Director of the Office of Management and Budget certify that the funding and personnel ceilings appropriated have been provided to the Veterans Administration—funds appropriated for less than a full fiscal year notwithstanding.

Further, as a result of President Reagan's proposal to consolidate the adjudication and loan guaranty functions of the 58 regional offices into one location, requiring transfer of over 12,000 personnel, the law required the Administrator of Veterans Affairs to include in his annual budget any plans to make major reductions in personnel or to close VA facilities. The requirement that such changes cannot be implemented until the start of the next fiscal year, thus giving Congress an opportunity to take legislation action to prevent such closings, helps eliminate such future threats.

OVERSIGHT

Service-Connected Benefits

Oversight hearings on service-connected disability compensation for veterans and dependency and indemnity compensation for survivors were held on two different occasions during the first half of the 97th Congress.

These programs represent the very foundation and cornerstone of the Veterans Administration, which was created to meet the needs of our citizen soldiers who suffered injury or death as a result of service to their country. The first hearing held on May 18, 1981, in addition to discussing the need for a cost-of-living increase, emphasized the effects of budgetary and resource limitations as well as staffing reductions on quality and timeliness of claims processing. This is a cause for concern and it is expected that the Subcommittee will be monitoring this further.

Additionally, current fiscal restraints require that a careful review of these programs be undertaken to ascertain whether our limited funds are spent in a manner to best meet the basic needs and purposes of these programs as well as maintain program integrity.

Most of the witnesses testifying at the hearing held on October 27, 1981, requested the Subcommittee to consider legislation which would restructure the DIC program according to whether the serviceman died in performance of duty or subsequently of a service-connected disease or injury. It was pointed out that categorically the recipients of these benefits fall into two distinct classes and that existing criteria basing all DIC rates on the veteran's highest military rank in service may be obsolete in view of the fact that some service-connected veterans die many years later and that the veteran's military rank has no bearing on his loss of earning capacity. This may be a matter to be considered during the 98th Congress.

BOARD OF VETERANS APPEALS

Again, timeliness and quality of service to our veterans and their survivors were the themes of the hearings held on June 2, 1981, and June 24, 1982. The number of appeals has increased yearly—resulting in an ever-increasing backlog. The resulting delays in the processing of claims continue to be of increasing concern to the Committee. Current law (section 4001 of Title 38) limits board members to 50. The relationship between the number of appeals and the number of Board members is an issue which will need further scrutiny during the 98th Congress.

AUTOMOBILES

Oversight hearings were conducted on the automobile allowance and adaptive equipment programs. For the most part, information available to the Subcommittee indicate the program is operating satisfactorily. However, certain abuses were highlighted and the Veterans Administration outlined the remedial procedures they were in the process of undertaking.

In recognizing the importance of monitoring the automobile and adaptive equipment programs, the Veterans Administration testified that they were in the final stages of competing a comprehensive program evaluation as required by Title 38, USC, Section 219. The results have been recently published and will be focused upon during the 98th Congress.

POW'S

On June 25, 1980, the Subcommittee on Compensation, Pension, Insurance and Memorial Affairs, then chaired by the Honorable G. V. (Sonny) Montgomery held a preliminary hearing on the VA study mandated by section 305 of PL 95-479 and released on June 1, 1980. All those in attendance, though pleased by the timeliness of the hearing, agreed that further consideration should be given to the study in order to develop a definitive POW bill which, in addition to carrying out the recommendations contained therein, would also respond to other concerns of former prisoners of war.

On March 4, 1981, the Full Committee demonstrated its commitment to the pursuit of this matter by scheduling its first legislative hearing of the 97th Congress on H.R. 1100, a bill specifically designed for former POWs. As amended and signed into law, (PL 97-37), the Act expanded basic eligibility criteria for certain benefits and health care for former prisoners of war, including persons who during peacetime, were held under circumstances that the Administrator finds comparable to internment during a period of war by: (1) reducing the requisite prisoner of war incarceration period from 6 months to 30 days for a presumption of malnutrition; (2) providing service-connected benefits for psychosis and anxiety states (including post-traumatic stress neurosis) regardless of when first shown unless there is an intercurrent cause; (3) providing inpatient and outpatient medical treatment on a new priority basis; and (4) providing authority to establish an Advisory Committee on Former Prisoners of War.

NON-SERVICE-CONNECTED PENSIONS FOR VETERANS OF THE MEXICAN BORDER PERIOD, WORLD WAR I, WORLD WAR II, THE KOREAN CONFLICT, OR THE VIETNAM ERA, AND THEIR WIDOWS AND CHILDREN

GENERAL REQUIREMENTS AS TO DISABILITY, LENGTH OF WAR SERVICE, AND NATURE OF DISCHARGE

1. Veterans: A veteran of World War I, of certain service of the Mexican border prior to World War I, of World War II, the Korean conflict, or the Vietnam era is eligible for a pension payment when he is permanently and totally disabled from non-service-connected causes which are not the result of willful misconduct or vicious habits, is unemployable, and has served 90 days or more during one or more war periods (or less if discharged for a service-connected disability), was discharged under conditions other than dishonorable, and meets certain income and net worth requirements set forth elsewhere in this publication.

For pension purposes, a veteran is considered permanently and totally disabled at age 65.

Prior to attaining age 65, the permanent and total disability requirement is met if the veteran is unable to secure and follow a substantially gainful occupation and—

AGE OF VETERAN AND DISABILITY REQUIREMENT

Before age 55: There is a single permanent disability of 60 percent, or two or more disabilities one of which is 40 percent in degree, combined with the other disability or disabilities to a total of 70 percent, and unemployability is attributed thereto.

55–59: 60 percent for one or more disabilities, no percentage requirement for any one disability, plus a finding of unemployability.

60–64: 50 percent for one or more disabilities, no percentage requirement for any one disability, plus a finding of unemployability.

2. Widows and Children: A widow of a veteran of the Mexican border period, World War I, World War II, the Korean conflict, or the Vietnam era is eligible for pension payment provided she meets the income requirements set elsewhere in this publication, if her deceased veteran husband met the service requirement, or if he was receiving or entitled to receive compensation or retirement pay based upon a service-connected disability, and if he had a discharge under conditions other than dishonorable.[1] A veteran's widow is not required to meet any test of disability or unemployability in order to receive the basic pension payment.

When there is no widow eligible to receive pension, payment of pension may be made to the child of a veteran of the Mexican border period, World War I, World War II, the Korean conflict, or the Vietnam era (who meets the income and net worth requirements described herein), if the deceased veteran met the service requirement, or if he was receiving or entitled to receive compensation or retirement pay based upon a service-connected disability, and if he had a discharge under conditions other than dishonorable.[1]

ANALYSIS OF IMPROVED PENSION PROGRAM PUBLIC LAW 95–588

The improved pension program, which has existed since January 1, 1978, the effective date of Public Law 95–588, provides for substantially higher pension payments than under prior law when the beneficiary has little or no income other than pension.

One of the principal purposes of the Act is to assure that VA pension benefits will never be reduced solely as a result of cost-of-living increases in social security payments. This is true because the Act automatically indexes pension rates to the Consumer Price Index on the same basis as social security. Thus, when social security rates are increased, individuals electing to receive pension benefits under the Act will concurrently receive the full cost-of-living increases in both pension and social security benefits.

The improved pension program provides for the following maximum annual rates. These rates are reduced by the amount of the annual countable income of the veteran, spouse and dependent children, if any, to determine each individual's pension rate which is generally paid in equal monthly installments:

	January 1, 1979 maximum rate	June 1, 1981 maximum rate	June 1, 1982 maximum rate
(a) Permanently and totally disabled veterans:			
Veteran alone	$3,550	$4,960	$5,328
Veteran with 1 dependent	4,651	6,499	6,980
Each additional child	600	840	903
(b) Veterans who are so seriously disabled they require the constant assistance of an aide or attendant (A&A):			
Veteran alone	5,680	7,936	8,524
Veteran with 1 dependent	6,781	9,474	10,176
Each additional child	600	840	903
(c) Veterans who are housebound:			
Veteran alone	4,340	6.064	6,513
Veteran with 1 dependent	5,441	7,602	8,165
Each additional child	600	840	903
(d) Two veterans married to one another	4,651	6,499	6,980
One veteran entitled to A&A	6,781	9,474	10,176
Both veterans entitled to A&A	8,911	12,449	13,371
One veteran housebound	5,441	7,602	8,165
Both veterans housebound	6,231	8,705	9,350
One housebound, one A&A	7,571	10,577	11,360
Each child	600	840	903
(e) Veterans of WWI and Mexican Border Period [1]	800	1,119	1,202
(f) For surviving spouses:			
Widow alone	2,379	3,324	3,570
Widow with 1 child	3,116	4,354	4,677
Each additional child	600	840	903
(g) Rates for children:			
Children alone	600	840	903
Each additional child	600	840	903

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[1] Pension benefits may be paid for widows and children of certain persons whose deaths occurred not in line of duty, upon certification by the Secretary of the service concerned that the deceased had completed at least two years of honorable service.

BEST DOCUMENT AVAILABLE

	January 1, 1979 maximum rate	June 1, 1981 maximum rate	June 1, 1982 maximum rate
(h) For surviving spouses needing aid and attendance:			
Widow alone	3,806	5,318	5,712
Widow with 1 child	4,543	6,347	6,817
Each additional child	600	840	903
(i) For surviving spouses who are housebound:			
Widow alone	2,908	4,064	4,365
Widow with 1 child	3,645	5,092	5,469
Each additional child	600	840	903

[1] Add to applicable annual rate.

Note.—The tables above show the rate initially in effect on enactment of Public Law 95–588, together with the last two increases. The intervening changes are not shown.

EXCLUSIONS

In computing income for pension purposes, all income unless specifically excepted, regardless of source, as well as the value of the estate of a veteran, spouse and children, if any, is considered. These income requirements are also applicable to surviving spouses and surviving children.

The income of the veteran's spouse and any child for whom pension is paid to the extent available to the veteran is considered in determining the rate of pension paid the veteran. Similarly, all available income of a surviving spouse and of children of the veteran in her care is considered in determining the pension payable to a surviving spouse.

The following types of income are excepted:

(a) Private or public welfare. Since the Act would assure income well above the poverty level, few if any pensioners would need welfare type assistance.

(b) Expenses of last illness and burial of veteran, child or spouse of veteran and just debts of deceased veteran.

(c) Proceeds of fire insurance.

(d) Profits realized from sale of nonbusiness property.

(e) Unreimbursed unusual medical expenses provided such expenses exceed 5 percent of basic pension rate.

(f) Amounts in joint accounts in bank acquired by reason of death of other joint owner.

(g) Amounts paid by veterans or surviving spouses who are so disabled as to require the regular aid and attendance of another person for tuition, fees, and books for a course of education or vocational rehabilitation; unusual transportation fees incurred in connection with pursuit of same.

(h) Postsecondary educational expenses, including tuition, fees, books, etc., paid by a child.

(i) Earned income of a child not exceeding $3,300 annually.

AUTHORIZATIONS TO VETERANS SO DISABLED AS TO REQUIRE AID AND ATTENDANCE

(1) The Veterans' Administration is authorized to furnish an invalid lift and is required to furnish drugs and medicines which are prescribed by a physician to veterans of all wars receiving aid and attendance allowance under either the old or the new pension pro-

grams. (Furnishing of drugs and medication is continued in cases where annual income increases to a point in excess of the maximums allowable, so long as income is not more than $1,000 above the maximums.)

(2) The Veterans' Administration is authorized to furnish various other types of devices and appliances needed by veterans who are receiving pension at the aid and attendance rate.

(3) Veterans who receive the aid and attendance allowance under either the old or the new pension programs continue to receive this additional allowance until the first day of the second calendar month which begins after the date of the veteran's admission for VA hospitalization.

(4) Effective January 1, 1980, all veterans of World War I and of the Mexican Border period are eligible for VA outpatient medical care except dental treatment on the same basis as that available for housebound veterans or veterans in need of aid and attendance.

OTHER MISCELLANEOUS PROVISIONS OF THE PENSION SYSTEM

(1) Requires all recipients of VA pensions to file annual income and net worth reports with the Veterans' Administration.

(2) Requires any material change in a pensioner's estimated annual income or net worth or that of dependents must be promptly reported to the Veterans' Administration.

(3) Reductions or discontinuances of VA pension by reason of change in pensioner's income other than social security will occur on the last day of the month in which the increase became effective.

(4) Permits payments of pension less often than monthly where monthly payments are less than 4 percent of the basic rate for a veteran alone.

(5) Discretionary authority is granted the Administrator of Veterans' Affairs to deny pension to a veteran, a widow, or child when the net worth of the individual is such that it is reasonable that some part of his assets be consumed for his maintenance. Denial of pension for this reason does not, however, preclude the granting of pension at a later date, should the prospective pensioner's financial situation be altered.

PENSION RATES AND INCOME LIMITATIONS UNDER LAWS IN EFFECT BEFORE JANUARY 1, 1979

Those pensioners who were on the pension rolls on December 31, 1978, unless they seek and are granted pension under the provisions of the law effective after that date, continue to receive pension payments under the so-called current or Public Law 86-211 pension program or under the prior ("protected") law so long as they continue to meet income limitations and other requirements of the earlier laws. These pensioners may elect to receive benefits under this pension reform program at any time; however, once having elected the new law, they may not subsequently return to the old. Persons applying for pension after January 1, 1979, must meet the requirements for pension eligibility effective after that date and may only receive payment under the reformed pension program.

A. If a pensioner does not elect to change to this improved pension program, the pension rates payable under the prior pension program will be "grandfathered"—that is, the rates will remain the same and not be subject to reduction when other income, including cost-of-living raises in social security payments, is increased. Exception to this protection is where employability is regained, a dependent no longer exists, net worth becomes excessive or there is a large gain in income, placing the claimant over maximum limits which are increased yearly consonant with the social security cost-of-living rates.

B. For persons receiving pension under the Public Law 86-211 program who do not elect to receive benefits under this program, the annual income limits were increased on June 1, 1982 from $5,642 to $6,060 for a veteran or widow without a child and increased from $7,587 to $8,149 for a veteran with a wife or child or a widow with a child.

The income limits for a child entitled to pension because there is no surviving spouse were increased from $4,610 to $4,952.

The income limits under the prior "protected" law were increased from $4,938 to $5,304 and from $7,123 to $7,651 respectively.

All of these limits are automatically increased each year on the same percentage schedule governing social security benefits.

DEPENDENCY AND INDEMNITY COMPENSATION FOR DEPENDENT PARENTS

Dependency and indemnity compensation (DIC) payments are authorized for certain needy parents of veterans who die of service-connected causes if they meet certain income requirements. For parents to be eligible for DIC payments, the parents' annual income must not exceed the maximum limits set by law. This benefit is designed to help supplement the parents' income, the theory being that if the veteran had lived, and they were in need of financial aid, the veteran would have furnished such financial assistance. Consequently, the amount of DIC payable to parents is dependent upon their income.

Public Law 95-588, which became effective January 1, 1979, automatically indexed parents' DIC to the Consumer Price Index on the same basis as social security in order to protect needy parents against loss of dependency and indemnity compensation solely because of a cost-of-living increase in social security.

Rates for dependency and indemnity compensation for needy parents are based upon each parent's marital status and income—that is, different rates are payable for parents alone; for two parents not living together; for two parents living together; and for a parent who has remarried and is living with his or her new spouse. Payments are paid on a graduated scale whereby the parent with the least income, and obviously the one most in need, receives the greater rate of benefit.

Under the indexing feature of the program, the rates and maximum income limits were increased by 7.4 percent on June 1, 1982. The new figures are as follows:

Maximum Annual Income Limitations—

From $5,642 to $6,060 for one parent alone or for each of two parents not living together;

From $7,587 to $8,149 for two parents living together or a remarried parent living with spouse.

There is an additional allowance payable to eligible needy parents who are patients in nursing homes or who are in need of the regular aid and attendance of another person. This benefit has been increased from $121 to $130 monthly.

ACTIVITIES OF THE SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT

The Subcommittee on Education, Training and Employment has jurisdiction over programs contained in title 38, United States Code, as follows: training and rehabilitation for veterans with service-connected disabilities in Chapter 31; Post-Vietnam Era veterans' educational assistance in chapter 32; the Vietnam Era G.I. Bill in Chapter 34; and survivors and dependents' educational assistance under chapter 35. In addition, the Subcommittee has jurisdiction over job counseling, training and placement services for veterans in Chapter 41; employment and training of disabled and Vietnam Era veterans in Chapter 42; and veterans employment rights in Chapter 43.

The Subcommittee also has oversight responsibility for education, training and employment programs which affect veterans, but come under the legislative authority of other Committees.

During the 97th Congress, 19 hearings were held by the Subcommittee on Education, Training and Employment. The Subcommittee sought to review the application, administration, and effectiveness of the laws passed by the Congress which come under the jurisdiction of the Subcommittee. The Subcommittee hearings were held to determine if the laws and programs were being implemented in accordance with the intent of Congress and if these programs should be continued, eliminated, or expanded. The necessity for new programs was also carefully reviewed by the Subcommittee.

FIRST SESSION

The principal legislative objective of the first session was H.R. 1400, the Veterans Educational Assistance Act of 1981, legislation which would establish a new educational assistance program for veterans and members of the Armed Forces. H.R. 1400 was introduced by Chairman Montgomery on January 28, 1981, and jointly referred to the Veterans Affairs Committee and the Armed Services Committee. Subsequently, Congressman Edgar was elected Chairman of the Subcommittee on Education, Training and Employment, and agreed to early legislative and field hearings on the bill. The Subcommittee held four hearings on H.R. 1400 in Washington, D.C. and three field hearings, at the Norfolk Naval Base, Norfolk, VA; the JFK Federal Building in Boston, MA; and at Fort Devens, MA. H.R. 1400 was reported to the House on May 19, 1981.

Five additional legislative and oversight hearings were held during the first session. These hearings included a review of Veterans Administration education, training and employment programs for veterans administered by the Department of Labor, veterans employment in the U.S. Postal Service, the Vietnam Veterans Leadership Program in the ACTION agency, and the employment in the Federal Government. A field hearing was held in San Jose, CA, to review at the "grass roots" level the effectiveness of veterans employment programs.

In response to the hearings, the Subcommittee favorably considered H.R. 1138, to extend the Veterans Readjustment Appointment (VRA) Authority for two additional years; H.R. 1139, to establish a business loan program for disabled and Vietnam veterans, both bills introduced by Chairman Montgomery, and H.R. 2391, by Mr. Daschle to provide a two-year extension of the G.I. Bill delimiting period to pursue on-the-job and vocational training for certain Vietnam veterans. A clean bill, H.R. 3423, introduced by Mr. Edgar, which included the provisions of these three bills, was recommended to the full Committee and reported to the House on May 19, 1981. The provisions of H.R. 3423 were made a part of H.R. 3499, the Veterans Health Care Act of 1981, approved November 3, 1981, as Public Law 97-72, identified as the Veterans Health Care, Education and Small Business Loan Act of 1982.

SECOND SESSION

The Subcommittee agenda for the second session included two additional hearings on H.R. 1400. On March 11th, a joint hearing was held by the Subcommittee on Education, Training and Employment and the Military Personnel and Compensation Subcommittee of the Armed Services Committee. At the March 11th hearing, the Assistant Secretary of Defense, Lawrence J. Korb, expressed official objection to a peacetime G.I. Bill at that time and recommended in lieu thereof, the continuation of the Veterans Educational Assistance Program (VEAP), and extending the delimiting date for the Vietnam Era G.I. Bill to December 31, 1989, so that persons who serve beyond 1989 would be entitled to G.I. Bill benefits upon their retirement from the Armed Forces. On March 31st, the Subcommittee held an additional hearing on H.R. 1400 and other proposals before the Subcommittee to establish a G.I. Bill for the All-Volunteer Armed Forces.

Another issue of particular importance to the Subcommittee during the second session was employment programs for veterans. Record high veteran unemployment greatly concerned the Subcommittee, and four hearings were held to investigate the situation. In addition, Committee staff made personal visits to employment security offices and job centers in a number of states to ascertain the effectiveness of employment programs for veterans enacted by Congress. The Subcommittee concluded, after evaluating the many hours of extensive testimony, that unemployment and underemployment was a severe, continuing problem for disabled and Vietnam veterans and that legislation was necessary to strengthen and expand existing programs with innovative changes and additions to the existing structures. A bill was recommended by the Subcommittee and reported and passed unanimously by voice vote by both the Committee and the House, identified as H.R. 6794, the Veterans Employment and Education Assistance Act of 1982. Subsequently, the provisions of H.R. 6794, as amended, were included in

H.R. 6782, the Compensation, Education and Employment Amendments of 1982, identified as Public Law 97-306.

Another veterans' employment bill passed by the House during the second session was H.R. 6788, to clarify reemployment rights of members of the National Guard and Reserve who perform active and inactive duty for training. H.R. 6788 was reported by the Subcommittee and passed unanimously by the Committee and the House. H.R. 6788 died for lack of action in the Senate.

The Subcommittee was involved in legislation affecting veterans which was under the legislative jurisdiction of other Committees.

H.R. 6190 was introduced by Mr. Edgar, to provide that educational assistance provided by the Veterans Administration under the G.I. Bill shall be disregarded in determining the needs or qualifications of any person under an educational assistance program funded in whole or in part with Federal funds. A joint hearing of the Education, Training and Employment Subcommittee and the Subcommittee on Postsecondary Education of the Committee on Education and Labor was held to consider H.R. 6190 on August 4, 1982. Later the Chairman of the Subcommittee on Postsecondary Education, Mr. Simon, introduced a bill, H.R. 7048, which included the provisions of H.R. 6190. As finally approved in Public Law 97-301, $30 million was restored for Vietnam veterans eligible for Pell Grants for the current academic year and succeeding school years in the same manner as this assistance was provided before Public Law 97-92, the Continuing Appropriations Resolution for fiscal year 1982, was approved.

H.R. 4717 contained a provision to restore Federal unemployment benefits for ex-servicepersonnel who voluntarily leave the military service. This legislation was considered by the Ways and Means Committee as one of the provisions of H.R. 4961 and was later included in H.R. 4717, now identified as Public Law 97-362. A provision of the Budget Reconciliation Act of 1981, Public Law 97-35, eliminated eligibility for ex-servicepersonnel for unemployment compensation benefits who voluntarily quit the service. Those who were discharged for cause, however, were eligible.

The provision in Public Law 97-362 has restored the benefits at a lesser rate than they were before the Budget Reconciliation Act of 1981 for those who voluntarily leave the service. This issue was of intense interest to veterans organizations and military associations. Since the legislation was related to veterans employment, the staff of the Committee spent considerable time on this legislation in response to correspondence and telephone calls, and in contacts with the Ways and Means Committee and the Senate Committee on Finance to resolve this issue as approved in Public Law 97-362.

H.R. 5600, H.R. 6526 and H.R. 6527 related to the restoration of social security benefits for military widows and surviving children whose benefits were eliminated by the Budget Reconciliation Act of 1981. H.R. 5600, introduced by Congressman Duncan Hunter, proposed to increase the veterans benefits (DIC and educational assistance) payable to widows and children of service-connected deceased veterans. H.R. 5600 would be paid for by the Veterans Administration. H.R. 6526, introduced by Congressman Montgomery, would restore social security benefits by providing that the benefits lost be paid by funds from the Social Security Trust Fund. H.R. 6526 was referred to the Ways and Means Committee.

H.R. 6527 proposed to restore the social security benefits to provide that the branch of the Armed Forces in which the veteran served shall pay for the lost social security benefits. H.R. 6527 was referred to the Armed Services Committee.

No hearings were held on any of these bills by the Subcommittee on Education, Training and Employment. However, much time was devoted to this issue, particularly in conducting a number of interviews and meetings with members of the Survivors of Sacrifice (SOS), an organization of widows of Vietnam veterans whose benefits were cut by the Budget Reconciliation Act of 1981. The provisions of H.R. 6527 were made a part of S. 2936, the Uniformed Services Pay Act of 1982, to provide benefits to certain surviving spouses and children of deceased military personnel to replace social security benefits terminated by the Omnibus Budget Reconciliation Act of 1981. This provision in S. 2936 was similar to the provisions of Chairman Montgomery's H.R. 6527.

Subsequently, the Congress adopted an amendment to the Continuing Resolution (H.J. Res. 631) that would restore these benefits to the widows and children, paid by the Department of Defense. This legislative was enacted into law on December 2, 1982 (P.L. 97-377).

On August 4, 1982, Mr. Edgar offered an amendment to H.R. 5320, the Job Training Partnership Act, to grant specific authority for the Secretary of Labor to make grants to provide employment counseling, job training and placement services for Vietnam era and disabled veterans. This amendment was passed by the House, accepted by the Senate, and included in the Act as enacted into law, Public Law 97-300.

An amendment to H.R. 7158, the Treasury, Postal Service and General Government Appropriation of 1983, was offered by Mr. Edgar and approved by the House on November 30, 1982. This amendment would require that none of the funds made available to the GSA under this Act would be expended for the procurement, by contract, of any service which is performed by individuals in their capacity as employees of the GSA in any position described in Section 3310 of title 5, U.S. Code. This section restricts competition for the position of guards, elevator operators, messengers and custodians to preference eligible veterans as long as preference eligibles are available. Subsequently, the language of the Edgar amendment was approved as one of the provisions of the Continuing Resolution, P.L. 97-377.

LEGISLATIVE COST SAVINGS

During the 97th Congress, the Administration recommended a number of legislative cost savings provisions which proposed to reduce or terminate veterans benefits in the area of education and training. While these proposals were handled by the full Committee in its consideration of budget recommendations to the Budget Committee, it was the responsibility of the Subcommittee Chairman and its members to review and make recommendations regarding the legislative savings or make other recommendations as requested by the Chairman of the Committee.

The Subcommittee did not hold hearings on proposals to cut veterans readjustment benefits. However, considerable time and attention was devoted to these recommendations prior to their final approval by the full Committee. In addition, the elimination of correspondence training has been a continuous subject before the Subcommittee since the House Appropriations Committee prohibited (PL 97-101, The HUD-VA 1982 Appropriations Act) the use of readjustment benefits funds for veterans taking correspondence training. A provision of PL 97-174 authorized the payment of benefits for pursuit of correspondence training which repealed the effect of the provision in the Appropriation Act for fiscal year 1982, which barred the payment of G.I. Bill benefits to veterans enrolled in correspondence training. The Veterans Administration Appropriations Act for fiscal year 1983 (H.R. 6956), Public Law 97-272, included funds for correspondence training. Correspondence training was also involved in a Senate amendment to H.R. 6782 which provided that funds in the Veterans Administration readjustment benefits account remain available for the payment of G.I. Bill correspondence training benefits, unless the Congress enacts a provision in the reconciliation bill to specifically amend the pertinent provision of Title 38, U.S. Code, related to correspondence training. The Senate receded from this provision.

ACTIVITIES OF THE SUBCOMMITTEE ON HOUSING AND MEMORIAL AFFAIRS

The Subcommittee on Housing and Memorial Affairs has jurisdiction over the entire Veterans Administration housing program. From June 1944 through September 1982, veterans have received over 11.2 million home loans (guaranteed, direct and mobile) amounting to almost $204.6 billion. Of the 10.9 million home loans (not including mobiles) guaranteed, slightly over 400 thousand, or only 3.7 percent have resulted in claims. Almost 6.5 million, or 59.3 percent have been repaid in full. Slightly over 4 million loans, or 37 percent, are still outstanding.

Following are the numbers and dollar amounts of loan origination activity for fiscal 1982 and the projected figures for fiscal 1983.

	Actual, fiscal year 1982	Estimated, fiscal year 1983
Loans guaranteed:		
Number	103,439	293,975
Amount	$5,541,915,000	$16,994,784,000
Direct loans approved [1]		
Number	20	27
Amount	$643,150	$869,000

[1] Program limited to Direct Loans for Specially Adapted Housing.

During fiscal year 1982, the VA maximum permissable interest rate was subject to eight changes, which equalled the record set during fiscal year 1980. The year began with an interest rate of 17.5 percent, the highest rate at any time since the inception of the program in 1944. The fiscal year ended with the rate at 13.5 percent. The present rate is 12 percent.

GUARANTEED LOAN PROGRAMS

This program provides housing credits assistance whereby mortgage credit needs of veterans and service personnel for the purchase of homes, condominium units and mobile homes and/or lots, may be satisfied by private capital on more liberal terms than is generally available to nonveterans, without the assumption of undue risks by the Federal Government.

Assistance is primarily through substituting the government's guaranty on loans in lieu of the substantial downpayments, relatively short terms and other investment safeguards applicable to conventional mortgages.

VA loans may be used to purchase a home; to repair, alter, or improve a home; to refinance an existing home; to improve a home by installing solar heating or other energy conservation measures; to buy a mobile home with or without a lot; or to buy a lot for a mobile home the veteran already owns.

Eligibility

Loans are available to veterans with sufficient qualifying service since September 16, 1940; for unmarried surviving spouses of veterans who died from service-connected causes; for spouses of service personnel officially listed as missing in action, or captured, for more than 90 days; and for service personnel who have served at least 181 days. The maximum entitlement available is currently $27,500.

Types of Mortgages

In addition to the traditional fixed-rate mortgage, the VA now guarantees Graduated Payment Mortgages (G.P.M.) and Growing Equity Mortgages (G.E.M.)

GPM's are amortized in a manner which allows lower monthly payments in the early years of the loan. The monthly payments is scheduled to increase periodically (annually in most plans) by a fixed percentage for a stated period. After this time, the monthly payment levels off and stays the same for the remainder of the loan. Althought the payments are higher on a GMP after the leveling off period than on a fixed payment mortgage, the lower initial monthly payments are of benefit to those veterans who otherwise could not afford to finance suitable housing.

GEM's provide for a gradual increase in monthly payments, with all of the increase being applied to the principal balance, resulting in a relatively rapid accumulation of equity and an accelarated maturity. The GEM plan typically provides for a 30-year loan maturity. However, the principal balance reduction caused by payment increases can result in a much earlier payoff of the loan. Advantages to the borrower under a GEM plan include early payoff of the loan and rapid equity accrual at a relatively low cost. From the lender's standpoint, GEM's offer early payback of capital and a lessening risk of loss as the property equity increases.

The maximum interest rates allowable for GEM and GPM loans are the same as for VA loans with fixed payment terms.

Financing

Eligible veterans must make their own arrangements for loans through the usual mortgage lending channels, such as mortgage loan companies, savings and loan associations, banks, etc.

The lender making GI loans for the purchase of homes (no mobile homes or lots), farm homes, condominium units, or refinancing of existing loans or liens secured of record on a veteran's dwelling is guaranteed against loss up to 60 percent of the loan with maximum guaranty of $27,500. On mobile home and/or lot loans the amount of guaranty is up to 50 percent of the loan with a maximum guaranty of $20,000.

Maturity and Downpayments

Terms of loans are subject to negotiation between the veteran and the lender. The maturity or repayment period of GI home loans may be as long as 30 years and 32 days. Mobile home loans for the purchase of a double-wide mobile home may be for as long as 25 years and 32 days. Loans for single-wide homes may be 20 years and 32 days, and loans for a lot may be for up to 15 years and 32 days.

The VA does not require that a downpayment be made. However, the amount of the loan may not exceed the reasonable value of the property, as determined by a VA appraisal. In the case of a new mobile home, the value is based upon the manufacturer's invoice. If the purchase price exceeds the reasonable value, the veteran must certify that the difference between the loan amount and the purchase price is being paid in cash from the veteran's own resouces.

Interest Rates

GI loan interest rates vary due to changes in market conditions. Once a loan is made, the interest rate remains the same for the life of the loan. In obtaining loans for the refinancing of existing mortgages on other liens of record, veterans may pay discounts of reasonable amounts. Discounts may also be paid under certain other conditions and the local VA office or lender should be consulted for information.

Maximum Loan Amounts

There are no specific loan maximums established for VA loans. However, no loan may exceed the reasonable value of the property, except that certain fees and charges may be added to that amount in connection with a mobile home and included in the loan. Veterans should consult with local VA offices for more specific information.

Liability Releases

An original veteran borrower may be released from liability to the government upon request to the VA when the veteran's residential property is sold, provided the loan is current and the purchaser has been obligated by contract to purchase the property and assume all of the veteran's liabilities. The VA must be satisfied that the purchaser is a good risk.

Direct Loan Program

Congress authorized this program via Public Law 81-475 (April 20, 1950), in order to put veterans living in rural areas where mortgage credit was not generally available on a parity with veterans living in metropolitan areas where mortgage credit was in ample supply.

The most productive years for the program occurred from 1950 through 1970, when almost 310,000 loans were made. From 1971 through 1979 only 23,000 loans were made. This sharp drop beginning in 1971 was due, generally, to increased availability of private capital in rural areas of the country. To a great extent this availability was made possible by the development of an active secondary market. This market developed as a result of increasing effectiveness of such organizations as the Federal National Mortgage Association and the Government National Mortgage Association. The viable secondary market which developed made it feasible for mortgage bankers to expand their geographic areas to include rural areas.

A review of the program revealed that over 98 percent of all VA loans made in rural areas during 1979 were funded by the private sector, with direct loans representing less than 2 percent of the total. In 1980 the percentage of VA loans funded by the private sector in rural areas rose to 99.7 percent, and direct loans amounted to only 0.3 percent. Because of the availability of mortgage funds in rural areas the Direct Loan Program was suspended by Congressional action, with the exception that direct loans to severely disabled veterans for specially adapted housing would still be made. During FY82, VA made direct loans to 20 such veterans amounting to $626,527.

SPECIALLY ADAPTED HOUSING PROGRAM

Paraplegic Housing (Wheelchair Homes)

Veterans may be entitled under certain conditions to a grant from VA for a "wheelchair home," especially adapted to their needs. Grants of not more than 50 percent, up to a maximum of $32,500 may be available to pay part of the cost of building, buying, or remodeling homes or for paying indebtedness on homes already acquired.

Eligibility

Veterans must have a service-connected disability due to military service after April 20, 1898, entitling them to compensation for permanent and total disability due to: (1) the loss, or loss of use of both lower extremities, such as to prevent locomotion without the aid of braces, crutches, canes or a wheelchair, or (2) disability which includes (a) blindness in both eyes, having only light perception, plus (b) loss or loss of use of one lower extremity, or (3) the loss or loss of use of one lower extremity together with (a) residuals of organic disease or injury, or (b) the loss or loss of use of one upper extremity, which so affects the functions of balance or propulsion as to preclude locomotion without resort to braces, canes, crutches, or a wheelchair.

During FY 1982, grants under this program were disbursed to 503 veterans amounting to $16,356,808.

Special Housing Adaptations

Some veterans may be entitled under certain conditions to a grant from VA for special adaptations to their homes to meet their needs. The veteran may adapt the home of a relative if the veteran resides or intends to reside with that relative. The amount of the grant may not exceed the lesser of: (1) the actual cost of the adaptations determined to be reasonably necessary, or (2) $5,000.

Eligibility

Veterans must have a service-connected disability due to military service after April 20, 1898, entitling them to compensation for permanent and total disability due to: (1) blindness in both eyes with 5/200 visual acuity or less, or (2) the anatomical loss, or loss of use, of both hands.

During the FY 1982, qualifying veterans received 245 such grants amounting to $1,096,064.

MEMORIAL AFFAIRS

The National Cemetery System is administered within the Veterans Administration by the Department of Memorial Affairs. Since its establishment under Public Law 93-43, the VA has designated eight new national cemetery sites. The Fort Custer National Cemetery in Michigan opened for interments on June 1, 1982, and the Indiantown Gap National Cemetery in Pennsylvania on September 20, 1982. Three others open for burial are Calverton, Long Island, New York; Riverside, California; and Bourne, Massachusetts. Three are expected to be opened between 1983 and 1987 in Quantico, Virginia; Fort Mitchell, Alabama; and a yet to be determined site in Florida. In FY 1981, the two-acre Fort Meade, South Dakota, cemetery was transferred to the system.

The system, at the present time, consists of 108 cemeteries (the Alabama and Florida cemeteries will bring the total to 110), located in 38 states and Puerto Rico. Total acreage of the 108 national cemeteries and 38 miscellaneous plots and monuments sites amounts to 9,078 acres, of which some 37 acres of cemetery land are developed and contain both occupied graves and gravesites available for burial. More than 5300 undeveloped acres will be programmed for development as needed.

The basic mission of the Department of Memorial Affairs is threefold: first, to provide, upon request, for the interment in any national cemetery with available grave space the remains of eligible deceased service personnel and discharged veterans (together with their spouses and certain dependents) and to permanently maintain these graves; second, to mark graves of eligible personnel in national and state cemeteries, and in private cemeteries upon proper application; and third, to administer the State Cemetery Grants Program, which provides financial assistance on a 50-50 matching basis to states that wish to establish, improve, or expand their state veterans' cemeteries.

As of October 1, 1982, 7 grants totaling $1.8 million have been awarded. Grants in response to 13 applications which total $6.5 million are in review process. The States Cemetery Grants Program complements the National Cemetery System by helping to relieve the shortage of burial plots in areas heavily populated with veterans who live far away from a national cemetery facility.

There were 41,811 interments in VA national cemeteries in FY 1981, compared to 41,120 in FY 1980. A total of 41,452 interments were accomplished during FY 1982. These included 37,274 casketed remains and 4,178 cremated remains.

In Fiscal Year 1981, 247,756 headstone and marker orders were placed, an increase of 17,053 over FY 1980. In FY 1982, 276,985 applications for headstones and markers were received and 223,096 orders were placed.

During the First Session of the 97th Congress, the subcommittee recommended, and on June 2, 1981 the House passed, H.R. 1714, a bill to authorize the Veterans Administration to furnish memorial headstones or markers to commemorate veterans who by choice are buried at sea, who donate their bodies to science, or who are cremated and have their ashes scattered without interment. The provisions of the legislation were included in Public Law 97-66.

The subcommittee recommended H. Con. Res. 76, a bill establishing that a plaque be erected at Arlington National Cemetery in memory of those who lost their lives during the rescue mission in Iran. The resolution passed the House on June 2, 1981 and was referred to the Senate Committee on Veterans Affairs. On May 13, 1982 S. 2248, the Department of Defense Authorizations bill, was passed in the Senate with an unprinted amendment No. 959 which contained the provisions of the resolution. In conference the Senate receded on the provision, however, the conferees agreed that the Secretary of the Army should construct and place a plaque in Arlington National Cemetery honoring those eight members of the armed forces who lost their lives in the rescue attempt.

The subcommittee also recommended H.R. 2136, a bill to require approval of the House and Senate Veterans Affairs Committees for construction, alteration, and acquisition of land for cemeteries where the cost exceeds $500,000. The bill passed the House on June 2, 1981 and was referred to the Senate Committee on Veterans Affairs.

SUMMARY OF BURIAL BENEFITS

1. Burial is provided in any VA National Cemetery with available grave space to any deceased veteran of wartime or peacetime service, other than for training, who was discharged under conditions other than dishonorable. Reservists who die while performing active duty for training are also eligible for interment in a national cemetery. Laws of the Congress extended eligibility for burial in a national cemetery to the veteran's spouse, widow, widower, minor children, and under certain conditions, unmarried adult children.

2. Headstone or marker. (a) A Government headstone or marker is furnished for any deceased veteran of wartime or peacetime serv-

ice, other than for training, who was discharged under conditions other than dishonorable and is interred in a national, state veterans', or private cemetery. Reservists who die while performing active duty for training are eligible. VA will also furnish markers to veterans' eligible dependents interred in a national or state veterans cemetery. (b) For those who prefer to purchase a private monument for eligible dependents, the payment of a monetary allowance which does not exceed the average cost of a Government headstone or marker is authorized.

3. Memorial markers and memorial plots. A memorial headstone or marker may be furnished, upon the request of the next of kin, to commemorate any veteran or member of the U.S. Armed Forces who is missing in action, whose remains have not been recovered or identified, were buried at sea (whether by the veteran's own choice or otherwise), were donated to science, or were cremated and the ashes scattered without interment of any portion of the ashes. The memorial marker may be placed by the applicant in a state, local, or private cemetery or in a memorial section of a national cemetery.

4. Burial Flags. The VA furnishes a U.S. Flag to drape the casket of a veteran if discharged or released from the active military, naval, or air service, under conditions other than dishonorable, who was either a wartime veteran or one who served after January 31, 1955, or a veteran who served at least one enlistment during peacetime, unless discharged sooner for disability incurred in line of duty. VA may also issue a flag for a veteran who is missing in action and is later presumed dead. Public Law 97-306, approved October 14, 1982, extended eligibility for a U.S. Flag to each deceased person who is buried in a national cemetery by decision of the Administrator of Veterans Affairs under title 38, U.S. Code, Section 1002(6). After the burial the flag is given to the next of kin or close friend or associate of the decedent.

Projections indicate that some 11 million veterans, or 37 percent of the present living veteran population, will die by the year 2000. Approximately 100,000 interments are expected in our national cemeteries by that time. Every effort is being made by the committee and the VA to see that plans for new cemeteries and expanding existing cemeteries ensure that funds are used effectively and efficiently without sacrificing the quality of service provided to veterans and their families.

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